Government of the

The Malawi Vulnerability Assessment Committee(MVAC)

Bulletin No. 15/18Volume 1

MALAWI Vulnerability Assessment Committee

FOOD SECURITY FORECAST FOR THE 2018/2019 CONSUMPTION YEAR

KEY HIGHLIGHTS

- **The Northern Region received normal to above while the Centre and South receive below normal rainfall.**
- **The Centre and South experienced prolonged dry spells averaging 2-4 weeks while the North experienced minimal dry spells in isolated places.**
- **Fall army worms infestations were reported in all districts but unlike last year control measures were spontaneous this season thus minimising impact.**
- **Maize production has dropped from 3.5million MT to 2.7 million MT representing 28%.**
- **MVAC projects that maize prices will continue to rise from December 2018 to March 2019, but trending slightly above the five-year average.**
- **The 2018 VAA forecast projected that 3.3 people will require assistance from 2 to 4 months.**
- **SMART survey results of February 2018 have shown overall nutritional status of under-five children was within acceptable ranges per WHO global thresholds (prevalence <5%)**

1. Context and Background

Malawi's economic growth outlook for 2018 has been weakened mainly due to the impact of dry spells, Fall Armyworm (FAW) and intermittent power supply. Real GDP is projected to be around **4.03 %** in 2018; (down from 5.1% in 2017) **4.65** % in 2019; and **4.8 %** in 2020. Poverty still remains a fundamental issue: about **51.54** % of the population leave below the national poverty line and **20.1 %** being ultra-poor.

The Reserve Bank of Malawi (RBM) projects annual average inflation for 2018 at around 9.0%. Despite the recent reduction in inflation, the RBM hints that risks to inflation outlook persist largely due to rising global oil market prices. The recent increase in fuel prices is likely to have a significant impact on the pricing of goods and services in general, food prices in particular. The official exchange rate continues to be stable, trading at around K726 (middle rate) against the United States dollar since November, 2016.

After two consecutive bad production years, last year's harvest saw a much-needed return to normalcy (**3.5 million tones of maize produced**). However, the 2018 maize production is estimated to drop (by 22%) to **2.7 million tones**, largely due to prolonged dry spells and fall army worm infestation.

According to the FEWSNET July18 Outlook Report, national maize carryover stocks are estimated at around **200,000 MT** (ADMARC, SGR). National average maize prices have remained depressed since 2017 but are likely to start increasing from July to October, 2018 but projected to trend below the five year average. From November 2018, prices will experience significant increases and trend above the five-year average.

Seasonal forecast for the 2018/2019 production season is so far pointing towards an El Nino phenomenon associated with below average rainfall for the Southern Africa Region. The Malawi Department of Climate Change and Mete

2. Food Security Forecast April 2018 to March 2019

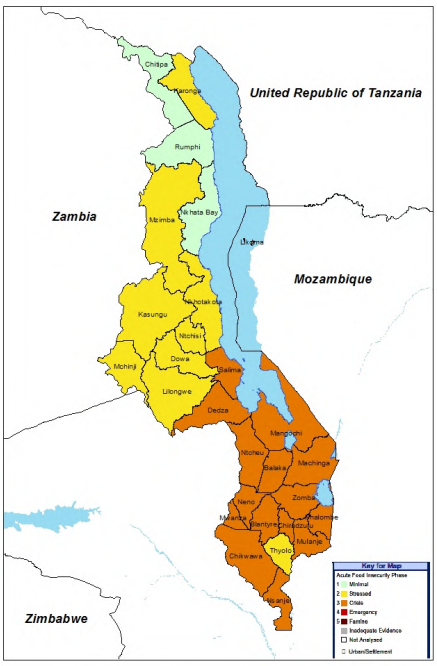
The Malawi Vulnerability Assessment Committee (MVAC) conducted the 2018 annual vulnerability assessment and analysis (VAA) field work between 10th June and 28th July, 2018. Data analysis was done between 2nd and 7th August 2018. The main objective of the assessment was to assess the impact of hazards on food and nutrition and food security on the rural population during the 2018/2019 Consumption Season. Specific objectives include the following:

- to assess and classify severity and causes of food insecurity for the affected population.
- recommend appropriate interventions to mitigate impacts of shocks and vulnerability.

3. Methodology

MVAC used both primary and secondary data for its food security analysis. Data was collected through three separate assessments viz: a Nutritional SMART survey conducted by UNICEF through LUANAR; a combined Household Economy Approach (HEA)/ Market Assessment conducted by MVAC; and a Comprehensive Household Food Security Survey (CHHFSS) conducted by MVAC. Secondary data included, but not limited to: APES third round; Ministry of Agriculture, Irrigation and Water Development (AMIS) price data, FEWSNET price data, NSO inflation and population projections, District Agriculture Office (DAO) reports and many others.

FIG 1. DISTRICT OVERALL IPC PHASE CLASSFICATION



Overall data analysis was done using an Integrated Food Security Phase Classification (IPC) Analytical Framework.

4. Key Findings

4.1 The 2017/2018 Rainfall Season

After the 21st SACORF forecast was released in August 2017, Malawi was expected to receive normal to above normal rainfall amounts between October, 2017 and March 2018. However, it turned out that the Northern districts received normal to above normal (with a few districts reporting dry spells of 1-2 weeks) rainfall while the Centre and the South received below normal rainfall and experienced prolonged dry spells between December 2017 and January 2018. The dry spells ranged from 2 to 4 weeks and had varying degrees of impact on district crop production.

The consensus forecast produced by the 22nd Southern African Regional Climate Outlook (SACORF) held in Lusaka, Zambia from 22 to 24 August, 2018 shows that most of the 16 SADC countries will receive normal to below- normal rainfall for the period October 2018 to March 2019. However, the central belt of the region from Angola, northern Zambia, northern Malawi, South Tanzania, and northern Mozambique, the islands states of Mauritius, Seychelles and eastern Madagascar are more likely to receive normal to above-normal rainfall most of the season. A more accurate forecast for Malawi will be issued by the Department Climate Change and Meteorogical Services (DCCMS) after down-scaling the regional rainfall forecast to district specific on a monthly basis.

4.2 Fall Armyworms (FAW)

All districts reported infestation of Fall Army Worm with varying intensity of infestation. However, unlike last season, this year, farmers were better prepared and quickly responded by reporting incidents to field agricultural extension staff who in turn provided pesticides to deal with the pest. Despite successfully dealing with the pest under rain-fed crop, FAW still poses a big threat to maize that is/will be under irrigation.

4.3 2017/2018 Production Season

Third Round Agriculture Production Estimates Survey (APES R3) results that were released in June show that staple maize production has dropped from 3,464,139 to 2,697,959, representing a 22.1% drop over last year and 20.3% over five year average. Other crops that have registered drops are: rice by 7.8%; wheat by 2.2%; millet by 12%; sorghum by

9.1%; potatoes by 8.9%; groundnuts by 12.1%; cotton by 23%; pulses by 10.1%; beans by 5.5%;pigeon peas by 8.2 % and soya beans by 18.9%.

The 2017/2018 agricultural season is generally worse than last year as shown in Fig. 2 where maize production has dropped in all ADDs except Karonga ADD where production increased by 6.5% over last year.

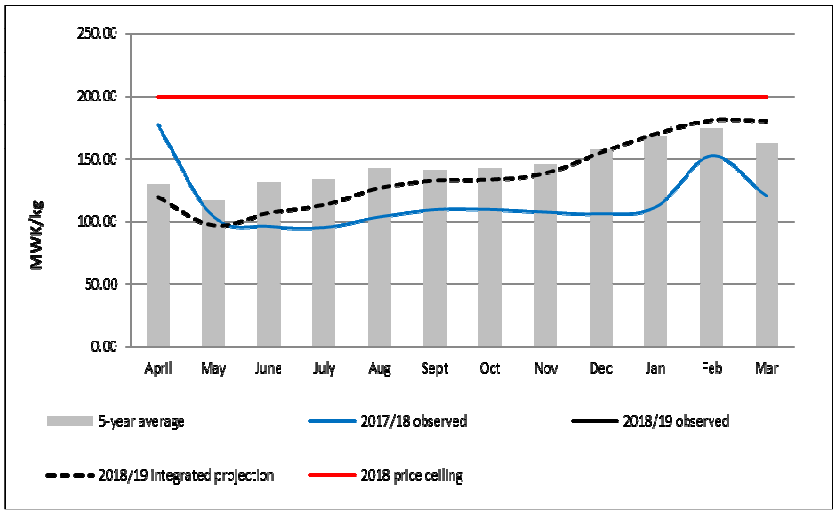
Fig. 2 Maize Production By ADD 2017/2018

ADD	Third Round 2016/17 Production (MT)	Third Round 2017/18 Production (MT)	% Change against Third round 2016/2017
KRADD	163,216	174,522	6.5
MZADD	303,331	290,176	-4.5
KADD	935,090	704,908	-32.7
LADD	803,084	643,572	-24.8
SLADD	145,178	117,954	-23.1
MADD	393,703	254,419	-54.7
BLADD	645,407	445,048	-45.0
SVADD	75,130	67,360	-11.5
NATIONAL	**3,464,139**	**2,697,959**	**-22.1**

4.4 Markets and Prices

National maize carryover stock by ADMARC and NFRA were estimated at 200,000 MT by FEWSNET in July, 2018. Stocks held by Private Traders is always difficult to estimate due to the speculative nature of the market players. Despite the 21% drop in production, MVAC projects that food will be readily available on the markets during the entire consumption season. The new crop that has been harvested in April/May 2018, has put pressure on the market to keep maize prices depressed.

Fig. 3 Price Projection for Lunzu Market: 2018/2019 (located in deficit



FEWSNET projections (based on 14 cluster markets across Malawi) show that prices started to increase in July and will continue rise through to the start of the lean period in October, 2018) but trending below the five year average. From December 2018 to March 2019, the prices will continue to increase but trending slightly above average.

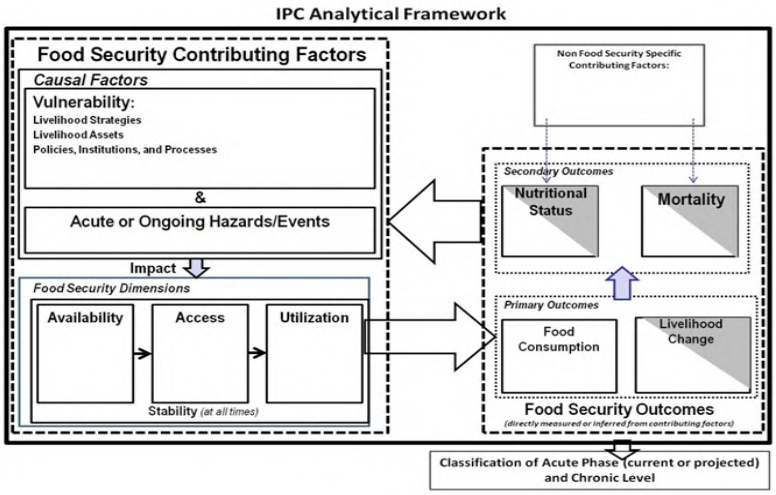
The market assessment results show that 99%, 90% and 54% of interviewed traders have the capacity to respond to 25%, 50% and 100% additional demand, respectively. About 66% of grain traders indicated that it takes about one week to satisfy 50% of additional demand. The assessment also shows that 94 % of big vendors and 81 % of medium vendors need a maximum of two weeks to respond to 50% additional demand. The main constraints for the traders to double the current business were high transport costs or lack of transport (30%), lack of capital or lack of credit (38 %), shortage of supply (13 %), and lack of demand (10 %). These finding generally show that almost all markets have the capacity to satisfy additional 50% increased demand and can handle market based interventions. This result is derived from key markets in 27 districts. Small markets could not be visited due to lack of manpower to cover key markets in all Traditional Authorities across the country.

Traditional Authorities with physical market access challenges during rainy months are: TA Mkumbira in Zomba; TA Ndamera and TA Tengani in Nsanje; TA Dambe in Neno ; TA Kanduku in Mwanza; TA Kasakula in Ntchisi.

4.5 Projection and Classification of Food Insecure Populations

MVAC used the IPC Analytical Framework to arrive at overall district classification phases and to project populations in those phases. The IPC convergence of evidence approach requires critical evaluation of existing evidence and the analyst's best estimation of severity of situation based on the IPC Reference Table. The IPC process requires clear documentation of evidence and technical consensus among experts doing the analysis.

Basically, the IPC analysis converges evidence/information from **food security contributing factors** (vulnerability and acute events/conditions and how they impact on food security dimensions) and **food security outcome elements** (food consumption, livelihood change, mortality and nutritional status. The contributing factors define the context while the outcome elements indicators are measured against global thresholds when doing the classification of severity and causes of food insecurity in the district.



Based on the IPC analysis, MVAC projects that **3,306, 405** people are falling in **IPC Phase 3** or worse and would require humanitarian assistance ranging from 2 to 6 months duration during the 2018/2019 consumption year . The cost of cereal requirement for the ration is estimated at **138,488 metric tones** with a cash equivalency of **23.5 MK Billion** (based on a projected market price of MK170/kg). The affected population is from all 27 districts that were assessed during the 2018 vulnerability assessment. Likoma was not covered because of logistical and funding challenges. The analysis established that a population of **6,914,285** were classified to be in **IPC Phase 1** (Minimal) and **5,030,032** people are in **IPC Phase 2** (Stressed). The populations in phase 1 and 2 are able to meet essential food requirements hence need livelihood protection and resilience building interventions and not humanitarian assistance aimed at filling food gaps as those in phase 3 or worse phases.

If we compare our population figure of affected people to our SADC counterparts; Mozambique has reported **531,476 (**only for assessed provinces**)**; neighbouring Zambia: **954,120** and Zimbabwe **2,423, 568** people. This means Malawi tops among the Southern Africa Region.

FIG 5. Affected Population in Phase 3 or worse and Commodity Requirement (MT)

District	Total Affected Population	Deficit onths	Maize	Pulses	Vegetable oil	Supercereal	Supercereal Plus
Chitipa	7,044	2	141	26	5	7	5
Dowa	123,499	2	2,470	449	83	125	83
Karonga	42,594	2	852	155	28	43	29
Mchinji	81,930	2	1,639	298	55	83	55
Nkhata bay	7,409	2	148	27	5	8	5
Nkhotakota	72,988	2	1,460	265	49	74	49
Ntchisi	55,282	2	1,106	201	37	56	37
Rumphi	5,648	2	113	21	4	6	4
Thyolo	121,086	2	2,422	440	81	123	82
Ntcheu	124,014	3	3,720	676	124	188	126
Phalombe	113,107	3	3,393	617	114	172	115
Zomba	195,618	3	5,869	1,067	196	297	198
Dedza	181,285	4	7,251	1,319	243	367	245
Lilongwe	219,679	4	8,787	1,598	294	445	297
Mulanje	181,116	4	7,245	1,317	242	367	245
Mwanza	33,162	4	1,326	241	44	67	45
Neno	56,260	4	2,250	409	75	114	76
Chikhwawa	210,438	5	10,522	1,913	352	533	355
Chiradzulu	92,819	5	4,641	844	155	235	157
Kasungu	139,132	5	6,957	1,265	233	352	235
Machinga	187,105	5	9,355	1,701	313	474	316
Mangochi	350,727	5	17,536	3,189	587	888	592
Mzimba	147,057	5	7,353	1,337	246	372	248
Salima	151,258	5	7,563	1,375	253	383	255
Balaka	166,036	6	9,962	1,811	333	504	336
Blantyre	131,113	6	7,867	1,430	263	398	266
Nsanje	108,999	6	6,540	1,189	219	331	221
Total	**3,306,405**		**138,488**	**25,181**	**4,632**	**7,013**	**4,674**

This projection is based on the following assumptions:

⇒ maize market prices will trend below the five year average up to October, 2018 and slightly above five-year average between November, 2018 and March, 2019.

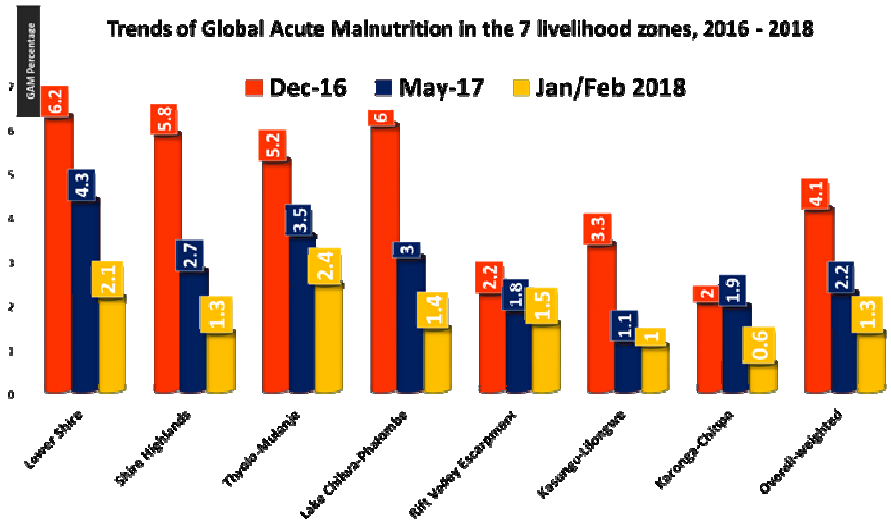
⇒ markets will function normally throughout the season without irregular factors getting into play

⇒ Humanitarian assistance will be launched in time to assist the affected population

⇒ The 2018/2019 production season will not be way off from the five year average.

4.6 Nutritional Status

SMART survey results in February 2018 have shown overall nutritional status of under-five children was within acceptable ranges per WHO global standards (prevalence <5%) and better compared to results of the last two assessments. Overall weighted Global acute malnutrition (GAM) prevalence was 1.3% (0.9-1.9), down from 4.1% in the lean period of December 2016 and lower than the post- harvest period of May 2017 (2.2%). Prevalence of GAM ranged from 0.6% in the Karonga/Chitipa/Rumphi/Mzimba (KCRM) livelihood zone to 2.4% in the Thyolo-Mulanje Tea Estates (TMTE) livelihood zone. The greatest change was observed in the Lower Shire livelihood zone (2.2%) from 6.6% in May 2016; 6.2% December 2016; and 4.3 in May 2017 surveys which continues to register a downward trend at every assessment period. Overall SAM prevalence was very low (0.1%) and within normal acceptable ranges across all zones, with no SAM cases reported in 5 out of the 7 livelihood zones. Among adolescents, the overall weighted prevalence of underweight was 4.0% and similar between boys (4.0%) and girls (3.9%). Severe underweight was at 0.3% (ranging from 0% to 0.7%). Similarly, the prevalence of underweight among adults aged 20 to 49 years was at 5.3%, indicating that adults were more likely to be underweight than adolescents (4%). Comparison by sex showed a slightly higher prevalence in adult men (5.7%) than women (5.1%). Severe under nutrition was uncommon (0.4%) across all zones, with no cases observed in Lake-Chilwa-Phalombe Plain and Karonga-Chitipa-Rumphi-Mzimba. However, among the adults presenting with severe under-nutrition were all females.



The overall minimum acceptable diet estimated at 10.7% down from 19% in May 2017 but slightly higher than 6% achieved December 2016 is problematic for the children to meet their nutrient requirements.

Morbidity remained high across the livelihood zones (55.7%)- The highest morbidity rate was recorded in Kasungu-Lilongwe Zone (59.9%), and the lowest was recorded in Karonga-Chitipa (49.7%). Overall morbidity rate remained high when comparing the Dec 2016, May 2017 and Jan/Feb 2018 results i.e. 50.5%, 59.1% and 55.9% respectively

Despite an improvement in Acute Malnutrition rates, the anticipated looming hunger will compromise the nutrition status of vulnerable children, women those living with TB, HIV and AIDS.

5. Key Issues to Monitor

- Fall Army Worm (FAW) attack on irrigated crop as well as the next rain-fed crop
- Maize prices from September to the end of the 2018/2019 consumption year
- Informal cross-border trade of maize and other food crops
- GAM rates in areas where the situation is worsening

6. Recommendations

1) The major humanitarian assistance programmes should be implemented for all districts with populations classified in IPC Phase 3 or worse.
2) Populations in Phases 1 and 2 should be targeted with livelihoods protection and resilience building interventions.
3) Nutrition interventions to all children, pregnant and lactating women affected by acute malnutrition should continue despite GAM rates showing improvement.
4) Results from a mini-market survey points towards market-based response interventions, but a fully fledged market assessment update is strongly recommended.
5) Promote crop diversification with choice of drought and disease tolerant ; early maturing crops, as well as high yielding varieties in light of the forecasted El Nino phenomenon during the 2018-2019 growing season.

Appendix 1 :**Population Phase Classification**

Level 2 Name	Total # (pp)	Phase 1		Phase 2		Phase 3		Phase 4		Phase 5	
		#	%	#	%	#	%	#	%	#	%
Balaka	436,937	96,126	22	174,775	40	152,928	35	13,108	3	0	0
Blantyre	437,044	87,409	20	218,522	50	120,187	28	8,741	2	0	0
Chikhwawa	601,250	150,313	25	240,501	40	180,376	30	30,063	5	0	0
Chiradzulu	331,497	155,804	47	82,874	25	82,874	25	8,288	3	0	0
Chitipa	234,797	190,186	81	35,220	15	5,870	3	1,174	1	0	0
Dedza	788,195	409,862	52	197,049	25	157,639	20	19,705	3	0	0
Dowa	866,218	433,109	50	303,176	35	86,622	10	43,311	5	0	0
Karonga	370,370	231,482	63	92,593	25	33,334	9	9,260	3	0	0
Kasungu	927,543	389,568	42	389,568	42	115,943	13	23,189	3	0	0
Lilongwe	1,564,527	766,618	49	547,585	35	195,566	13	39,113	3	0	0
Machinga	668,233	283,999	43	200,470	30	167,059	25	16,706	3	0	0
Mangochi	1,131,378	554,375	49	226,276	20	311,129	28	33,942	3	0	0
Mchinji	655,430	340,824	52	229,401	35	65,544	10	16,386	3	0	0
Mulanje	603,721	241,488	40	181,116	30	150,930	25	30,186	5	0	0
Mwanza	110,540	22,108	20	55,270	50	24,319	22	8,291	8	0	0
Mzimba	980,374	598,028	61	220,585	23	122,547	13	24,510	3	0	0
Neno	181,483	54,445	30	72,593	40	49,908	28	4,537	3	0	0
Nkhata bay	296,351	243,008	82	44,453	15	7,409	3	0	0	0	0
Nkhotakota	417,073	196,025	47	145,976	35	62,561	15	10,427	3	0	0
Nsanje	311,427	124,571	40	77,857	25	93,428	30	15,572	5	0	0
Ntcheu	620,070	248,029	40	248,029	40	124,015	20	0	0	0	0
Ntchisi	315,892	148,469	47	110,563	35	47,384	15	7,898	3	0	0
Phalombe	403,953	169,660	42	121,186	30	100,989	25	12,119	3	0	0
Rumphi	225,922	182,997	81	36,148	16	5,648	3	0	0	0	0
Salima	458,357	146,674	32	160,425	35	114,589	25	34,377	8	0	0
Thyolo	691,915	155,681	23	408,230	59	103,788	15	17,298	3	0	0
Zomba	698,636	293,427	42	209,591	30	174,659	25	20,959	3	0	0
Total	15,329,133	6,914,285	45	5,030,032	33	2,857,245	19	449,160	3	0	0
Grand Total	15,329,133	6,914,285	45	5,030,032	33	2,857,245	19	449,160	3	0	0

Appendix2 : **IPC Phases and Descriptions**

PHASE 1 Minimal	•HHs are able to meet essential food and non-food needs without engaging in atypical, unsustainable strategies to access food and income.
PHASE 2	•HHs have minimally adequate food consumption but are unable to afford some essential non-food expenditures without engaging in irreversible coping strategies
PHASE 3 Crisis	Even with any humanitarian assistance: · HHs have food consumption gaps with high or above usual acute malnutrition; OR · HHs are marginally able to meet minimum food needs only with accelerated depletion of livelihood assets that will lead to food consumption gaps.
PHASE 4 Emergency	Even with any humanitarian assistance: · HHs have large food consumption gaps resulting in very high acute malnutrition and excess mortality; OR · HHs have extreme loss of livelihood assets that will lead to large food consumption gaps in the short term.
PHASE 5 Famine	Even with any humanitarian assistance: · HHs have an extreme lack of food and/or other basic needs even with full employment of coping strategies. Starvation, death, and destitution are evident.