 <p>The Famine Early Warning Systems Network</p>	<p>ZIMBABWE MONTHLY FOOD SECURITY UPDATE</p> <p>July 2004</p> <p><i>Information in this report is valid as of the July 30 and does not reflect changes that occurred thereafter.</i></p>
--	--

Summary

- Although there is no consensual cereal production estimate for Zimbabwe in 2003-04, independent production estimates range from 950,000-1,100,000 MT. Zimbabwe will therefore have a serious food access problem, at least until the next harvest (May 2005). Current estimates are that food access is very difficult for an estimated 2.5 million urban and 2.3 million rural people.
- Cereals are still generally available in most rural districts, from own and local production, but may become scarce in Buhera, Mutare, Beit Bridge and Bulilimangwe districts which have not produced enough cereals to last past July. Another eight rural districts are expected to use up their cereal harvests within the next four months. By October, food security will be seriously threatened by cereal shortages in these districts.
- The Zimbabwe Vulnerability Assessment Committee estimated that about 2.2 million people in the rural areas will not be able to meet all their food needs on their own between July and November 2004, during which they would require food assistance of at least 52,000 MT.
- The suspension of general feeding in April, May and June by international food agencies, in response to Government's announcement that the country has enough food from the 2003/04 agricultural season's harvest, has left the majority of highly vulnerable food insecure households dependent on decreasingly effective coping strategies, with poor prospects for employment income.
- The availability of basic foodstuffs has remained stable in most urban markets, but low income household purchasing power continues to limit food access. This situation is compounded by very high unemployment levels and inflation rates.
- Minimum wage reviews completed in April resulted in a minimum wage increase of more than 190 percent, from Z\$114,594 to Z\$341,655 per month. However, the new wage rate is just enough to cover 30 percent of the cost of the total Consumer Council of Zimbabwe (CCZ) low income household basket for June, estimated at Z\$1,143,510. The situation has marginally worsened compared to May 2004.
- Water cuts lasting for weeks and frequent sewage blockages that go on for days without being attended to are becoming more of a norm than an exception in Harare and other towns. This, together with irregular collection of refuse, is posing a growing health hazard to Zimbabwe's urban populations.

1. Current Food Security Situation

1.1 Rural food security temporarily good in most districts

Cereals are still generally available in most rural districts from own and local production, but are becoming scarce in Buhera, Mutare, Beit Bridge and Bulilimangwe districts which are estimated to have produced less than four months of their needs and where locally produced cereal stocks will not last beyond July. Cereal consumption is now complemented by consumption of sweet potatoes, pumpkins and squashes that are still available from last season's harvest, particularly in the Mashonaland provinces. Local shops or relatively accessible rural service centre shops continue to carry stocks of basic food such as maize meal, sugar, cooking oil and meat. Mice catching in the harvested fields are a traditional coping mechanism providing some rare protein for many poor rural households at this time of the year.

The suspension of general feeding in April, May and June 2004 by food agencies, in response to Government's announcement that the country has enough food from the 2003/04 agricultural season's harvest, has left the majority of vulnerable food insecure households dependent on their own. A small proportion of these households continue to benefit from targeted feeding schemes such as school feeding, home based care and feeding programmes for orphans and chronically ill patients. The majority of the food insecure households have already started relying on food borrowed from neighbours, friends and relatives, or by exchanging their labour for food and cutting down on meals. The situation is relatively better for the poor households with able-bodied members in the cotton and tobacco growing areas of the country because here casual employment is easier to find. Smallholder farmers produced the bulk of the estimated 260,000 MT of cotton produced last year, and over 80 percent of this crop has been sold, resulting in a large injection of money into the rural economy of these areas. Cotton farmers engage a lot of casual labour during the harvest and can afford to hire casual labour for various on-farm and off-farm activities.

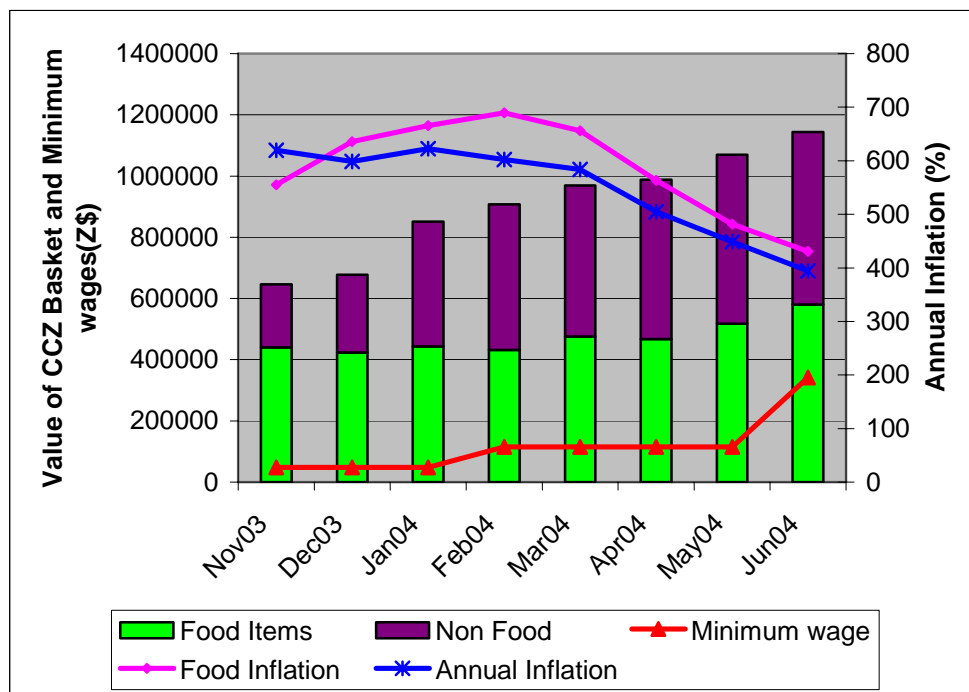
Despite poor households' coping strategies and the on-going targeting feeding in rural areas, a gap remains. The Zimbabwe Vulnerability Assessment Committee estimates that about 2.2 million people in the rural areas will not be able to meet all their food needs on their own between July and November, and during this period, they would require food assistance of at least 52,000 MT. These food insecure rural households are found throughout the country. Sub-district level assessments are urgently required to identify these households and target appropriate food assistance within the next month to avoid dire consequences.

1.2 Urban food security continues to be threatened by limited real household income and purchasing power

Even though basic commodities like maize meal and cooking oil are available on the market, accessibility still remains a major problem. This has been further compounded by very high unemployment, low income and high inflation rates. While there is a downward trend in inflation rates since January 2004, the rate remains far too high and continues to erode the purchasing power of all wage earners and pensioners. The annual food inflation reported by the Central Statistics Office stood at 430.6 percent in June 2004, shedding off 51.2 percentage points on the May 2004 rate of 481.8 percent (Figure 1, next page).

The monthly expenditure basket for a low income urban household of six, monitored by the Consumer Council of Zimbabwe (CCZ), stood at Z\$1,143,510 in June. This value of the basket is about 7 percent above its May 2004 level and about 436 percent more than the basket's value in June 2003. Between May and June 2004, the cost of maize meal went up by 44 percent, that of sugar by 21 percent, tea by 14 percent and flour 12 percent. It is important to note that there has not been a significant increase for non-

Figure 1: Cost of monthly expenditure basket for a low income urban household of six in Harare, November 2003 – June 2004



Source: CCZ, Zimbabwe Congress of Trade Unions and CSO

food items; much of the cost increase has been food items. The value of all food items in the CCZ basket went up by about eleven percent while that of non-food increased only 2 percent between May and June 2004. Over the past twelve months, rentals for shelter have increased by 400 percent and a significant number of poor households have been priced out of the market. They have been pushed to illegal settlements around the cities and towns. Minimum wage reviews in April resulted in minimum wage increases for industrial workers of more than 190 percent, from Z\$114,594 to Z\$341,655 per month. However, the new wage rate is just enough to cover only 30 percent of the cost of the total CCZ low income household basket for June (Figure 1). The situation has marginally worsened compared to May 2004.

1.3 Worsening Water and Sanitation in Urban Areas

Water cuts lasting for weeks and frequent sewage pipe blockages that go for days without being attended to are becoming more of a norm than an exception in Harare and other towns. This, coupled with irregular collection of refuse and uncontrolled vegetable vendors setting up shop everywhere, are beginning to pose a serious health hazard to Zimbabwe's urban population. Improved management of municipalities and urban boards could address most of these problems, for they are by and large results of mismanagement. Central Government budgeting should make provisions for water and sewage infrastructure repairs and development.

2. Food Security Prospects: August 2004 to March 2005

2.1 Zimbabwe's cereal production for the 2003/04 agricultural season remains controversial

The question of how much Zimbabwe produced in cereals during the 2003/04 agricultural season remains unresolved, at least internally. FAO has estimated a cereal production of 950,000 MT and FEWS NET has estimated 1.1 million MT, a figure that includes the growing urban production not counted by FAO. An eleven member Parliamentary Committee on Lands, Agriculture, Water Development, Rural Resources and Resettlement was set up at the instigation of the opposition in parliament to resolve the question. Despite the urgency of the matter, the committee has not met and is to be reconstituted in the current parliamentary session which started on the July 20. The lack of consensus of the cereal harvest and the inaccessibility of government cereal import figures for the current marketing year make food availability analysis and contingency planning for international agencies very difficult.

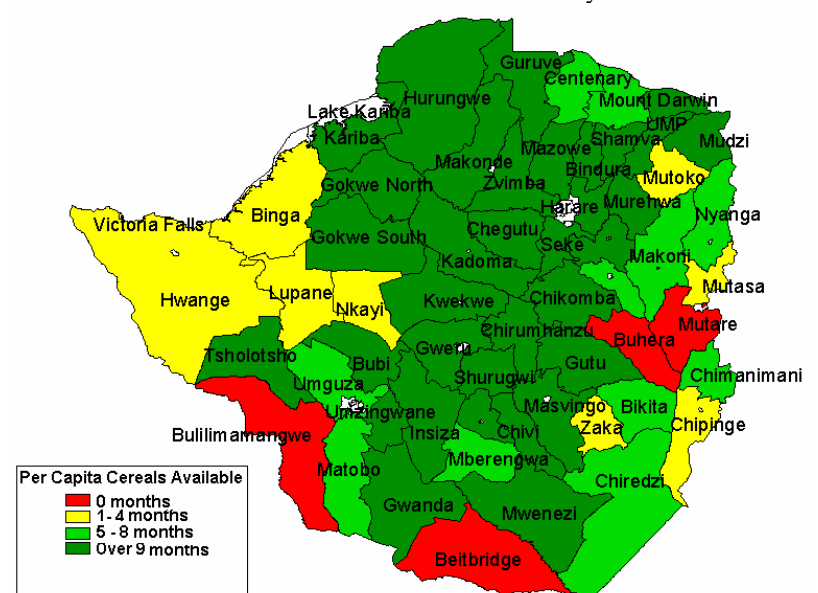
2.2 Twelve Rural Districts Likely to Face Serious Cereals Shortages in the next Four Months

If all the cereals produced from the 2003/04 agricultural season were to be shared equally among all the rural population in each of Zimbabwe's 57 districts, four rural districts of Bulilimangwe, Beit Bridge, Buhera and Mutare would have used up all their maize, millets and sorghum harvests by the end of July (Figure 2). A further eight will be expected to use up their cereal harvests within the next four months. Food security is seriously threatened by cereal shortages in these districts.

Marketing measures to move grain from the surplus districts are urgently needed. Since livestock sales are an important source of cash for households to purchase food in the southern districts of the country, it is important to monitor the functioning of livestock markets and the developments in the terms of trade between livestock and cereals. Currently the terms of trade between livestock and grain are in favour of livestock, but as grain becomes less available in the coming months and livestock conditions deteriorate with

reducing grazing and grazing quality, grain prices are expected to go up relative to those of livestock. This will see the food security situation of livestock-based livelihoods zones, which are dominant in the Matabelelands, deteriorating faster. Remittances from neighbouring Botswana and South Africa also contribute significant amounts of food to a marked number of households in the two Matabeleland provinces; to the extent possible, these need to be encouraged. Causal labour is expected to be more readily available in most of the rural districts on the central watershed due to the improved harvests this

Figure 2: Average Cereals Available (months) to Rural District Population from the Estimated 2003/2004 Production as at 31 July 2004



Source: FEWS NET/USGS

year. Most of the estimated 260,000 MT of cotton, produced predominantly by smallholder farmers, has been sold, injecting over Z\$300 million into Zimbabwe's rural cotton areas. This is going to help poor households without adequate harvests to supplement their food stocks in most districts of the three Mashonaland provinces. However, there will still be poor households who will fail to meet all their food needs on their own in both the cereal surplus and deficit areas, and these households will most certainly require food assistance. The Zimbabwe Vulnerability Assessment Committee estimates this food insecure population will reach 2.3 million at the height of the hunger period in October/November 2004.

2.3 *Improved Disposable Incomes*

The government review of the non-taxable income has raised the threshold for individuals from Z\$200,000 to Z\$750,000 per month, effective from September 1. This will increase disposable incomes of all taxpayers. An individual who currently earns a taxable income of Z\$750,000 per month takes home about Z\$521,250. In September, the same individual will be taking home the whole Z\$750,000, if income tax is the individual's only salary deduction. The tax reform by Government is expected to improve the ability of lower income households, with members that were lucky enough to be earning taxable income, to access more food and other basic necessities with their September 2004 and future earnings.

3. Recommendations

- The United Nations should continue to be engaged in dialogue with the Government to secure greater collaboration from the Government for continuing food aid and recovery programmes.
- The Humanitarian agencies and the major donors need to redefine the scope of their humanitarian work to include more activities to do with general livelihoods recovery and as well as agricultural recovery.
- Sub-district level assessments are urgently required to identify the food insecure households and the appropriate food and non-food assistance required to avoid dire consequences.