MALAWI
Vulnerability
Assessment Committee

SADC FANR
Vulnerability
Assessment Committee

MVAC Presentation to the FSJTF Plenary

Food Security Outlook: April 2005 to March 2006

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FEWS NET

Save the Children USA

World Food Programme

Government of the
Republic of Malawi

The Problems…

- Poor Agricultural Season
  - Rainfall Failure
    - Dry Spells in February, March
  - Inadequate Inputs
    - Availability and Timing
- Weak Macro-Economic Situation
  - Low Foreign Reserves
    - Export earnings potentially reduced
  - Threats to Currency Value
  - Other Macro-Economic Issues
    - Fairly high inflation
    - High interest rates

Leads to…

Shortfalls in Food

Two Big Questions:

1. How Much Food to Import?

2. What are the Humanitarian Food Needs?

Understanding the Questions

1. How Much Food to Import?
   - Essentially an **AVAILABILITY** Question
   - The Answer comes mostly from the Food Balance Sheet (MoA, FAO)

   EXCEPTION

   The amount in the FBS component “Food Aid” depends on the Humanitarian Need,

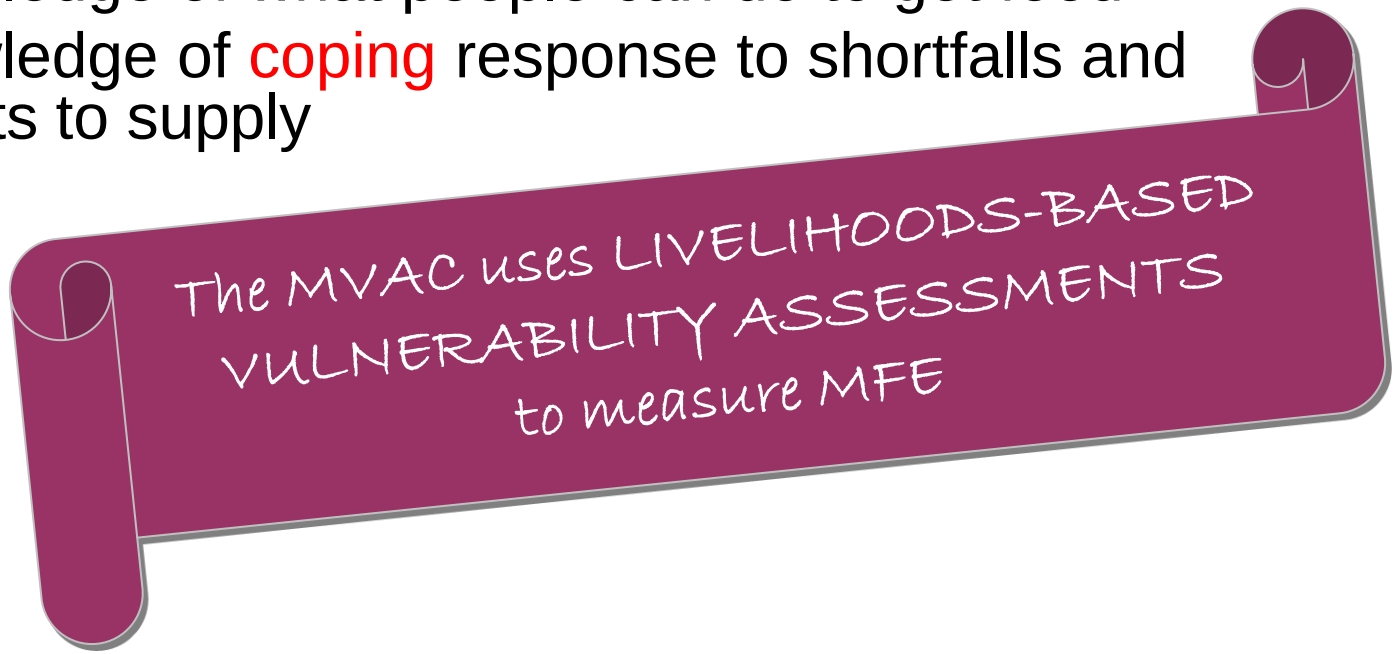
   - i.e. Question 2

Understanding the Questions

2. What are the Humanitarian Food Needs?
   - Based on the Idea that All People have a "Right to Food" - Entitlement
   - Those People who are at risk of being denied this right:
     - Are called the "**Populations at Risk**"
     - The amounts of food they are missing called the "**Missing Food Entitlement**"

Missing Food Entitlements

- Not just food itself
  - The ability to acquire food, e.g. through purchases (exchange)
- To measure it requires:
  - Knowledge of how much food there is
  - Knowledge of what people can do to get food
  - Knowledge of coping response to shortfalls and threats to supply



Missing Food Entitlements

- The Assessment Process: 1

Baselines

Two main determinants characterise livelihoods:

- Geography — ‘Livelihood Zones’ & EPAs
- Wealth or Resources — ‘Wealth Groups’

Missing Food Entitlements

- The Assessment Process: 2

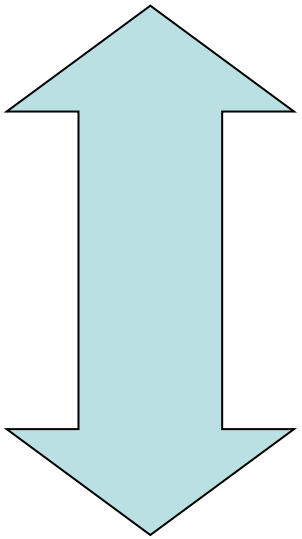
Baselines

Descriptions and quantification of:

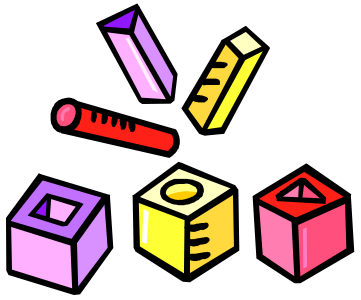
– Sources of Food

– Sources of Income

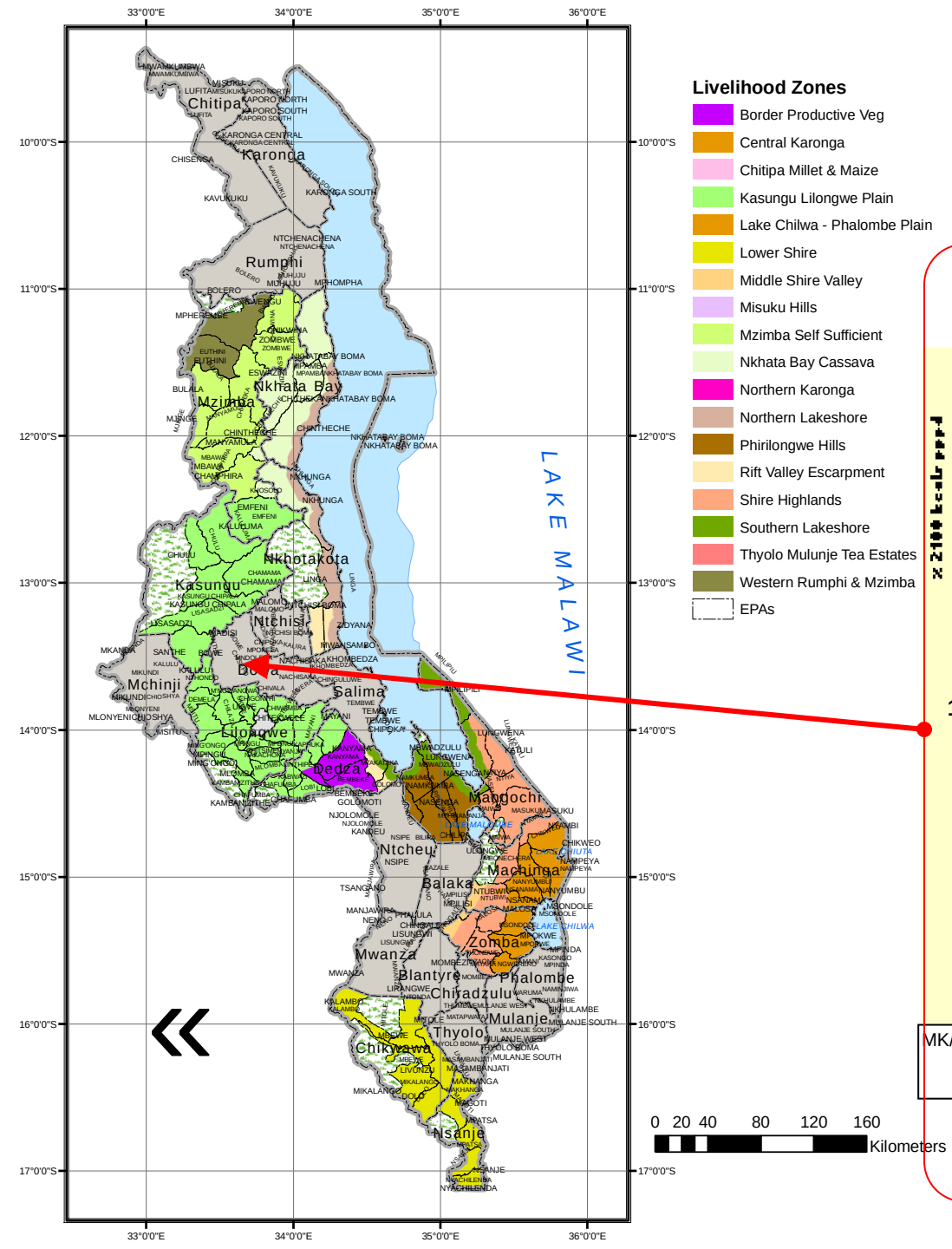
– Expenditure Patterns



The Inter-Relationship Between these is Explored and Quantified



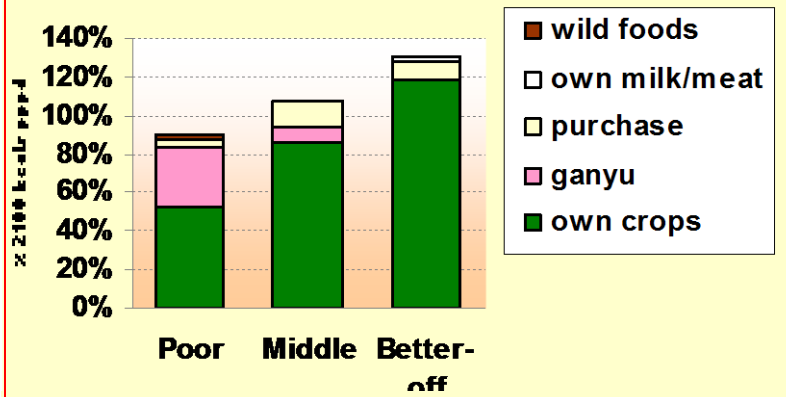
Baselines

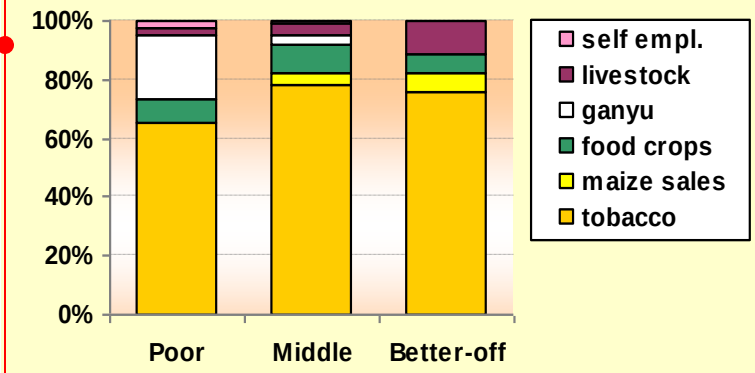


Livelihood Zones

- Border Productive Veg
- Central Karonga
- Chitipa Millet & Maize
- Kasungu Lilongwe Plain
- Lake Chilwa - Phalombe Plain
- Lower Shire
- Middle Shire Valley
- Misuku Hills
- Mzimba Self Sufficient
- Nkhata Bay Cassava
- Northern Karonga
- Northern Lakeshore
- Phirilongwe Hills
- Rift Valley Escarpment
- Shire Highlands
- Southern Lakeshore
- Thyolo Mulunje Tea Estates
- Western Rumphi & Mzimba
- EPAs

Kasungu-Lilongwe Plain





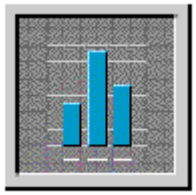
MK/year:	8,500-10,000	29,000-33,000	65,000-75,000

Missing Food Entitlements

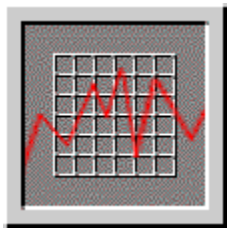
- The Assessment Process: 3

  The Problem

  – Express each of the elements in **Food**, **Income** and **Expenditure** as % of Baseline

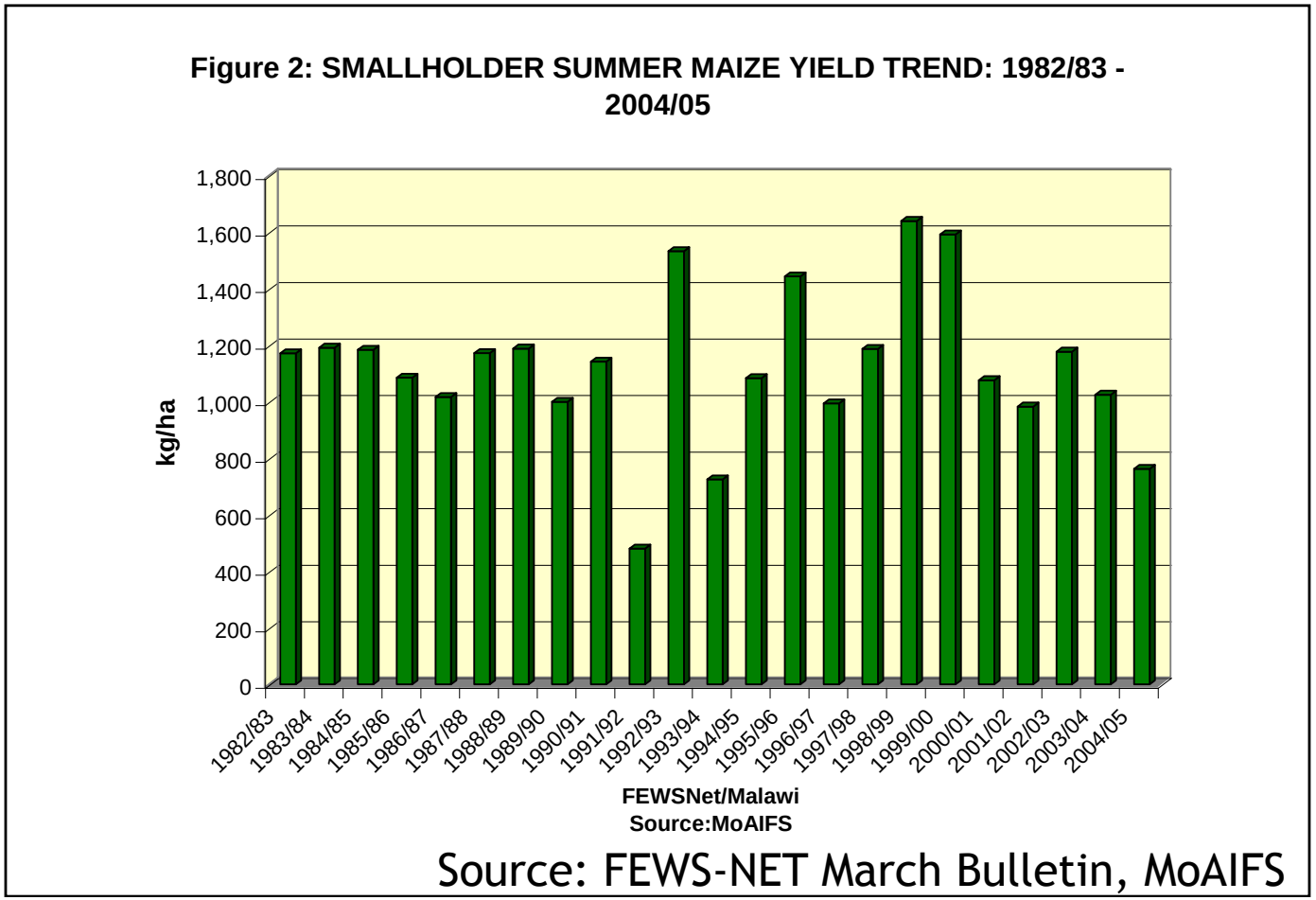


  – Express Income and Expenditure elements **Price** changes as a % of Baseline



The Problem

- Crop Failure
  - Maize and other crops



Source: FEWS-NET March Bulletin, MoAIFS

Missing Food Entitlements

- The Assessment Process: 3

  The Problem

  Early Warning

  – Forecasting, Scenarios and Assumptions

  – Dynamically updated

Forecasting & Early Warning

Assumptions

MK 19-25 per kg
($180-230 per MT)

- Commodity Selling prices – inflation-adjusted
- Maize purchase price:

  Don't know for sure yet, but…
  - Could keep parity with inflation (**scenario 1**)
  - Could rise: unsubsidised imports @ $220/MT (**scenario 2**)
- Ganyu availability & pay
- Coming season – normal, on time
- Hhs maximise opportunities to get food
- Excludes interventions

MK 32-40 per kg
($240-320 per MT)

Missing Food Entitlements

- The Assessment Process: 4

  Coping

  What can Hhs do to maximise their access to food?
  e.g.:

  – Switch income/expenditure to food

  – Switch consumption to sales

  – Maximise income/direct food access

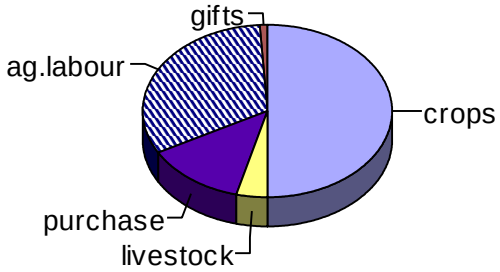
Missing Food Entitlements

Example: The Whole Process

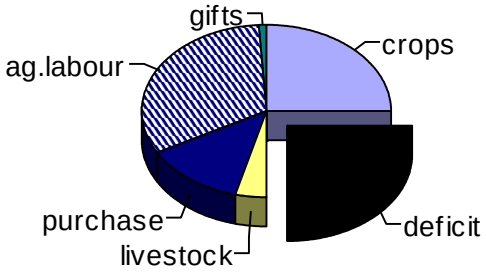
Hazard example:
50% crop failure

Coping step example:
Sell 1 additional goat

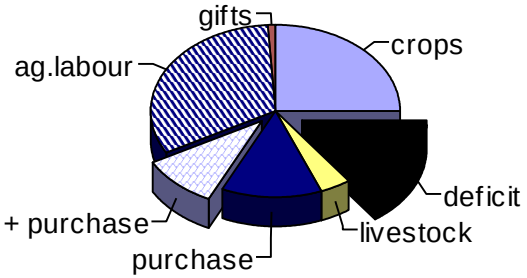
The baseline picture



Effect on access to crops



Final result



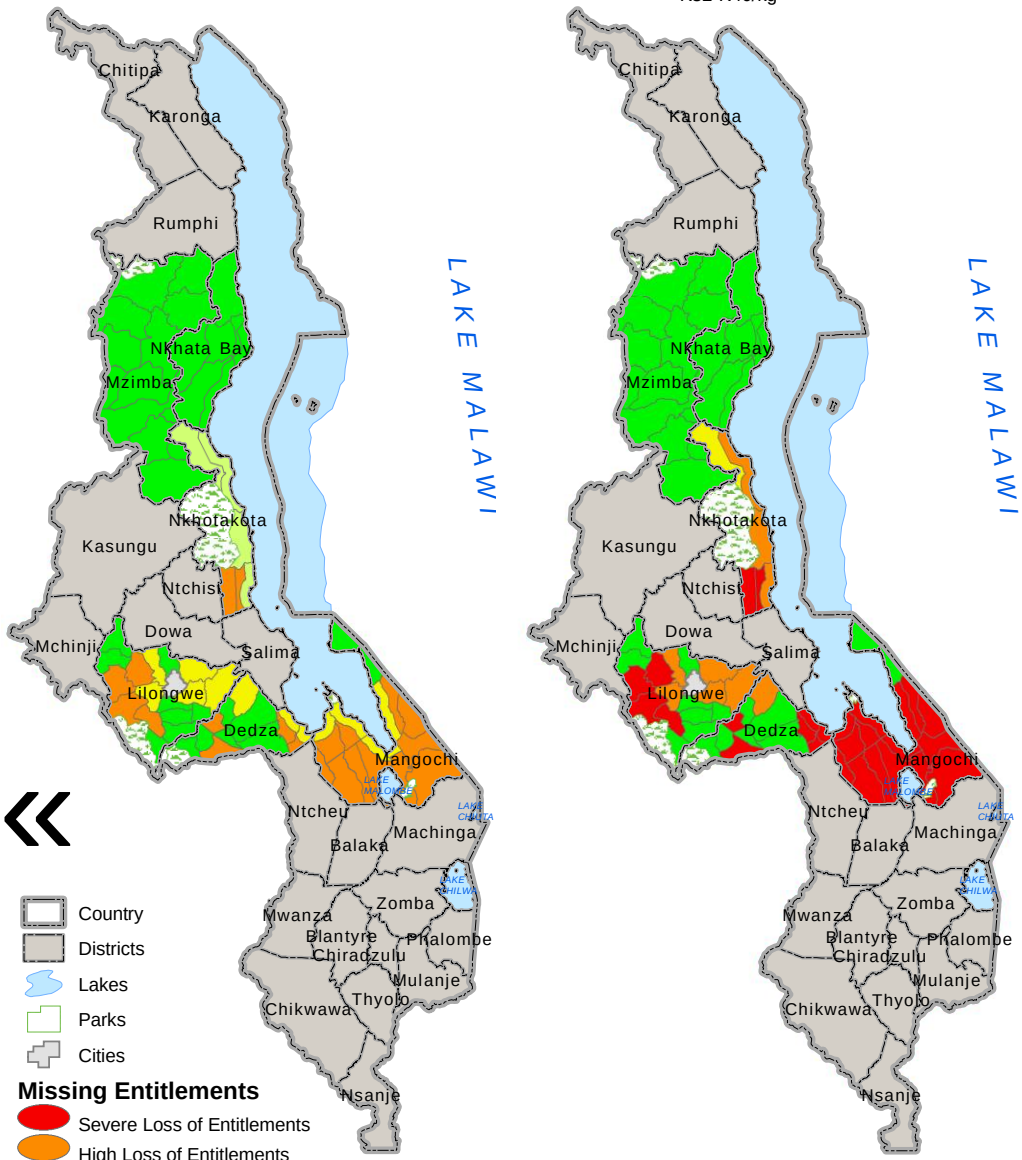
Missing Food Entitlements

- Expression of the results
  - For simplicity, calculated in energy terms only –"Missing Food Energy Entitlements"
  - The Result can be expressed in many ways:
    - As a % "deficit" or shortfall compared to an agreed threshold, e.g. (SPHERE) 2100 kcal/person/day
    - As an amount of a particular type of food (in kg) – "Maize Equivalent" is normally used
    - As an amount of a tradeable commodity –the logical choice is to use CASH in the value of the local currency

Areas at Risk of Food Insecurity for the Agricultrural Consumption Year April 2005 to March 2006

Scenario 1: Maize prices adjusted at current average inflation rates
K19-K23/kg

Scenario 2: Maize landed in Blantyre at $220/MT, consumer price adjusted for storage, distribution and 5% mark up
K32-K40/kg



Populations at Risk

- To get an idea of SCALE, the MVAC uses the Official Population Projections from the NSO. However:
  - Questions about accuracy
  - What matters most is that the right people get their required needs
- MVAC has profiles/characteristics of the populations in need, i.e.
  - Geographical Location
  - Profile of their resource bases (capital and income)

These profiles should form the basis of more precise targeting of assistance

Combining the two

- Total MFE for the whole country
  - In Maize Equivalents
  - In Cash Equivalents

Item	**Scenario 1**	**Scenario 2**	**% Change S1→S2**
Population At Risk	4,224,400	4,608,000	+9%
MFE: Maize Eq	271,970	423,150	+55%
MFE: Cash Eq	K7,661m	K18,397M	+140%

The Relationship Between The MFE and the Food Balance Sheet

MoA – Draft April 05	
Net Prod	1,806,077
Prod Shortfall/Surplus	**-600,709**
Imports – SGR	15,000
Imports – Informal	104,577
Food Aid	Nil
Exports	1,475
Shortfall/Surplas	**-482,608**

Modified with Scenario 1 MFE as Food Aid	
Net Prod	1,806,077
Prod Shortfall/Surplus	**-600,709**
Imports - SGR	15,000
Imports – Informal	104,577
Food Aid	271,970
Exports	1,475
Shortfall/Surplus	**-210,638**

Sources: Ministry of Atgriculture