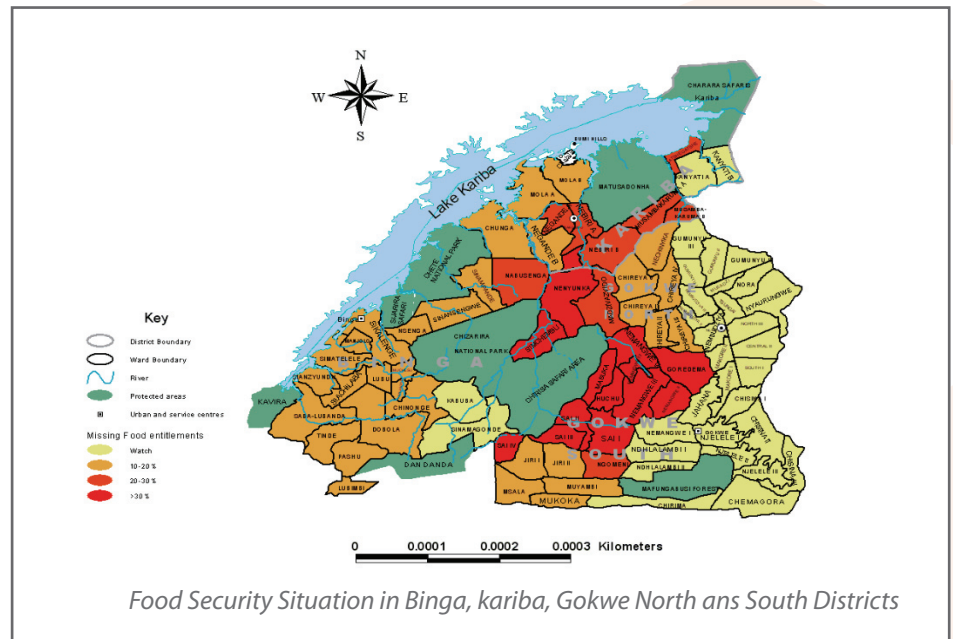




Sub national food security information system

July 2007 Annual Brief



Increase in vulnerability due to general unavailability and low ability to access grain

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National Overview

Zimbabwe experienced severe dry spells and generally unfavorable rainfall during the 2006/07 season, compounding the devastating effects of the unprecedented decade-long economic decline, likely to create further fragility in the country.

The season was characterised by a late start of effective planting rains, frequent dry spells and generally below normal soil moisture condition, gradually getting worse from the North to the South of the country. The annual cereal harvest is estimated to be 799,000 and 126,000 MT of maize and small grain respectively. As a result the Government of Zimbabwe plans to import 400,000MT of maize with an additional 61,000MT likely to be received in the country through informal cross border traders and localised in kind remittance. This will leave an uncovered gap of 352,000MT of maize and 90,000 MT of non cereal imports, (CFSAM-July 2007 report).

Sub-National Situation

The 2006/07 crop harvest for Binga, Kariba Rural, Gokwe North and South districts indicate that there will be some food shortage in specific locations across the seven food economy zones (FEZs). An estimated 67,926 people will be at high risk of food insecurity by early September and a further 119,972 people by October 2007, due to the following factors:

- Limited availability of local grain
- Predicted reduction of on and off farm labour.
- Reduction in household Purchasing power due to hyper inflation.
- High transport costs and irregular services in remote areas
- Unfavorable terms of barter
 - Trade (grain for livestock).
- Grain control by the Grain Marketing Board (GMB).

Household ability to respond to limited grain availability will vary in the seven FEZs covered in this briefing report.

Geographically the areas that will require relief food aid assistance are Southern Gokwe Lowlands, parts of Greater Northern Gokwe, Poor Resource Kariba Valley , Siabuwa Nebiri and Gatshe-gatshe Agro Fisheries FEZs. Areas which will not require assistance are Southern Gokwe plateau, a greater part of Northern Gokwe including Kanyati High Potential sub FEZ, due to the relatively high cereal harvest and potential ability to respond to any food shortages in the 2007/08 consumption year

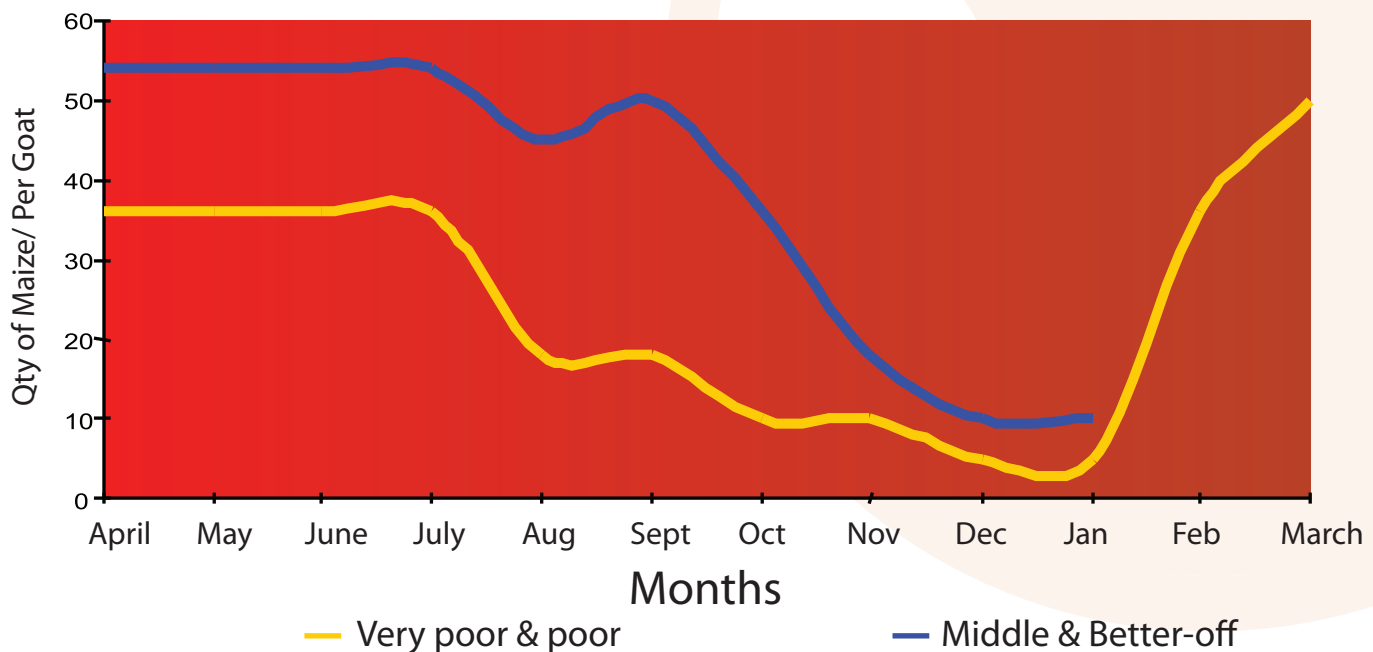
Districts	Population at risk	Population on "watch"
Binga	64 156	None
Kariba Rural	19 496	None
Northern Gokwe	28 615	96 084
Southern Gokwe	75 631	33 064

Number of households without food and the reasons for their food insecurity

30-60 percent of the population in the Zambezi Valley and some of parts of Southern Gokwe

Lowlands depend mainly on barter trade, food for labour and direct market purchases of food compared with own crop harvest. Unlike the previous season, the 2007/08 consumption year will be extremely difficult for this category of households, due to the 50 percent reduction in grain production, which will directly affect availability of employment opportunities, worsen terms of barter trade and increase costs of migration in search of employment. As a result these households will start experiencing severe shortage of grain by early September 2007.

Predicted Terms of Trade of Grain with Small Livestock- April 2007- March 2008



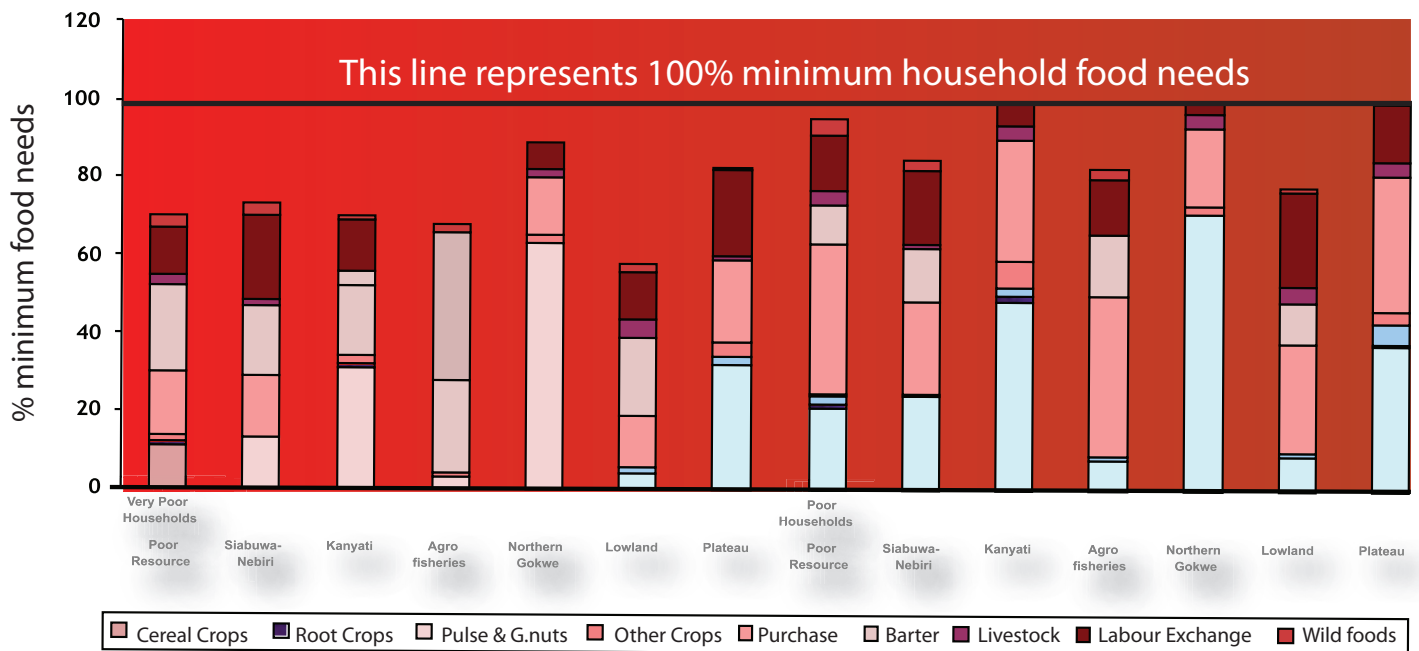
Vulnerability will increase due to unfair terms of barter trade

The main form of barter trade is exchange of grain for small livestock. It is predicted that this trade will be skewed in favour of grain traders, with the poorest households likely to be the most exploited due to very low bargaining power. Household bargaining power varies according to wealth group, dependant on the level of food insecurity at a particular time. The 20-25 and 35-40 percent always "very poor" and usually "poor" households respectively are likely to have a lower bargaining power compared with the minority of fluctuating and occasionally "poor" households in the food insecure areas of the four districts. The graph below shows the predicted terms of trade within the period April 07-March 08.

"Household Vulnerability levels will be exacerbated by unfair terms of barter trade skewed in favour of private grain traders"

Comparison of Poverty: Food Income

Very Poor and Poor Households in Binga, Kariba Rural, Gokwe North and South Districts



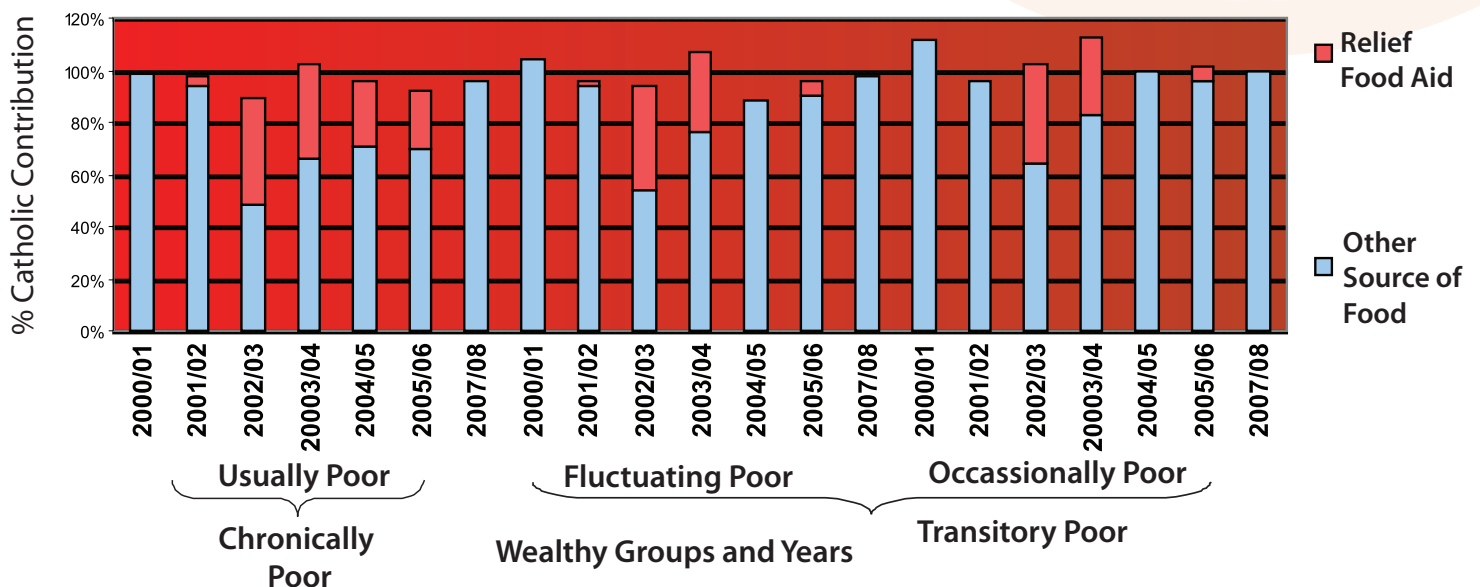
Comparing Poverty Levels Using Food Income

The above graph shows predicted levels of food income by wealth group for the always “very poor” and usually “poor” households based on ability to respond in the seven FEZs within Binga, Kariba Rural, Gokwe North and South Districts. The most food insecure population are the 20-25 and 35-40 percent always “very poor” and usually “poor” households in Southern Gokwe lowlands, followed by Agro-Fisheries, Siabuwa Nebiri and Poor Resource Kariba Valley. Generally this category of households will meet 65-85 percent of their annual food entitlement by accessing grain using existing productive assets such as owned livestock. The relatively better situation in the Poor Resource Kariba Valley compared with Gokwe Lowland and Siabuwa Nebiri FEZs is based on the potential to access grain using livestock and other sources of income such as local crafts and vegetables, among others. The population in Gatshe-gatshe are likely to be more food insecure due to lack of transport and unfavorably terms of barter of grain for fish.

Relief to “Annual Food Entitlement”

Since 2002 SC(UK) has supported 40-60 percent of the population in Binga and Kariba Rural (Zambezi Valley) with relief food aid. As such communities perceive relief food aid assistance as more of an “annual entitlement” other than a means of recovery within a specific period of time. This is manifested in low voluntary participation and contribution by the community towards other non hand out livelihoods interventions both in Binga and Nyaminyami districts. General trends show that chronically “poor” households are more dependant on relief food aid than other wealth groups, indicating that food aid has and still remains a vital part of their annual sources of food. The graph below compares the contribution of other household sources of food with relief food aid among the different wealth groups over the last four years.

Annual Trends of Relief Food Aid Assitance by Wealth Group (2001 to 2006) & 2007/08 Predicted Situation



The Concept of Maize Equivalent Income and Expenditure

In the past three to four years hyperinflation has made it very difficult to clearly understand the functional relationship between income and expenditure using the normal Household Economy Assessment (HEA) techniques in Zimbabwe. Persistent increase in prices of commodities do not necessarily match the level of income earnings in both rural and urban areas. The same level of income earned in different months does not buy the same quantity of a particular commodity. As a result reflecting income in nominal value does not show the real purchasing power of cash income. In order to avoid overstating the real value of cash income, we express income in terms of how much maize it can purchase at the time it is earned.

The income and expenditure used in this analysis is reflected in maize equivalent (ME) terms as compared to nominal value in Zimbabwean dollars. The predicted monthly income for the period July 2007-March 2008 was obtained and converted into maize equivalence using parallel market prices.

The main sources of income across the four wealth groups are sale of vegetables, livestock, local crafts, construction material and labour. It is predicted that the poorest households will only be able to afford very few minimum non staple items such as salt, soap and grinding costs. They will have very limited cash income for payment of school fees, uniform and stationery as well as the subsidized health care services. Meanwhile the "middle" and "better-off" households will be able to afford all their minimum non staples including items such as cooking oil, sugar with some discretionary income for purchase of local beer and agricultural inputs.

The role of remittance in FEZs

In-kind and cash remittance is one of the least common household sources of livelihoods among the rural population in the seven FEZs. The main in-kind remittance include food items such as maize meal, sugar, cooking oil and salt. This form of remittance is typically received during the Christmas festive season. Other forms of in-kind remit-

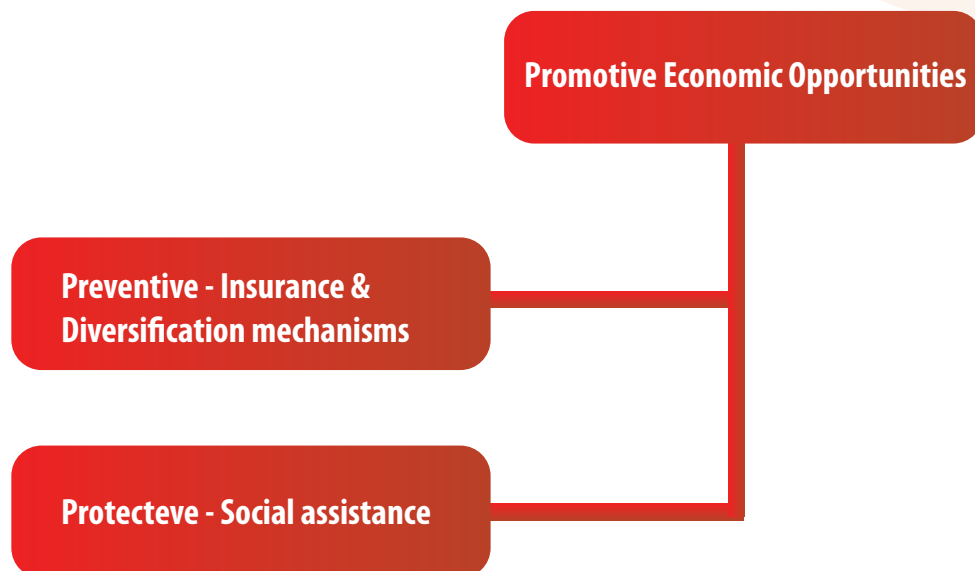
tance include non food items such as soap and clothes. Most people in these FEZs mainly migrate to locations within Zimbabwe such as Bulawayo, Victoria falls, Hwange and Harare city. As such they have low paying jobs which affects their ability to remit cash income, except for specific reasons such as purchase of goats and cattle worth 54kg and 400kg of MEI and hire of draught power at the start of the agricultural season.

Generally remittance cuts across all categories of wealth groups and can not categorised as typical for only a particular wealth group. The main constraints faced by the migrant local people are the following:

- High transport costs.
- Lack of travel documents to facilitate cross border migration.
- Unemployment in the urban areas.
- Low payment due to migration within the country.

Conclusion: Apart from reducing household size, migrant labour and remittances are not a major source of livelihoods among the local people in the seven FEZs.

A respondent said "We have become discouraged with cross border migration because, we sell our cattle and end up being deported". You actually become poorer after deportation and have to start all again (Focus Group Discussion)



The diagram above illustrates the social protection

Possible short term interventions based on the food security forecast.

Possible interventions depending on the overall aim of the relief aid assistance.

- In case it is life saving (protection-social assistance), its will be more appropriate to target the 20-25 percent extremely vulnerable (EVIs) households.
- In case of preventive-insurance and diversification mechanisms, its appropriate to have food for asset preservation among both the 20-25 very "poor" and 35-45 "poor" households.
- The option for the 30-45 percent asset rich "middle" and "better-off" households is to increase cereal availability in the market.

Other recommendations

Based on evidence derived, other recommended interventions are the following:

- Need for more support of livestock production compared with crops.
- Identification and linkage of potential markets for local products such as crafts and construction materials.
- Crop diversification through promotion of drought resistant cereals such as sorghum macia variety.
- Need for promotion of other sources of livelihoods such as bee keeping.
- Establishment of a community based price and market information system
- Strengthening of vulnerable groups bargaining power through support for formal community groups.
- There is need to commission a specific study to understand the cumulative effects of missing micro-nutrients such as Niacin in the Zambezi Valley.

Next steps

- Monthly monitoring of prices, terms of trade and availability of grain to

cross check accuracy of predictions.

- Updating predictions in case of any significant changes.
- Conducting more livelihoods baselines to cover other chronically food insecure areas across the country.
- Incorporation of nutrition analysis to have an integrated livelihoods based food security information System.

How the Consortium conducted its analysis

The consortium used a technical methodology called the Household Economy Approach (HEA), for collecting data and modeling the forecast. This was combined with the use of secondary data from district Agricultural Research and Extension (AREX) offices, Central Statistical office, Surveyor Generals Office and Cotton companies.

The team visited a total of 22 wards in the four districts. In these wards teams met with elders and community leaders who identified households in the different wealth groups.

Focus group discussions were conducted with the main wealth groups (very poor, poor, middle, better-off). During the field visit teams first met district authorities, before proceeding to the selected wards, where they conducted semi structured focus group interviews. The interviews followed a basic structure, but were not questionnaire type format, which provided opportunity for probing and triangulation. This enabled the team to cross check findings, particularly through discussions in the evening hours. Some of the critical assumptions made for this years analysis include:

- The coming season will have very high shortage of local cereal.
- Majority of households will maximize any opportunity to meet minimum food intake given the option to do so.
- Hyper inflation will continue at the current rate without any much impact of the price control and stabilization policy.
- Most rural households will mainly engage in barter trade due to limited options for cash purchase of grain.
- Employment opportunities will reduce due to limited grain for payment of labour.

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