



Food Security Situation Update

WFP Zimbabwe October 2020

Highlights:



The Integrated Phase Classification (IPC) analysis in rural areas conducted in October 2020, even though not yet officially released, found a reduction in the numbers of acutely food-insecure people facing Crisis or worse (IPC Phase 3 or above) conditions during October to December 2020 and January to March 2021, when compared to the previous analysis. The improvement is highly related to currently on-going and planned large-scale humanitarian food assistance.



The WFP's Zimbabwe Hunger Map showed that 6 out of the 10 provinces were experiencing very high prevalence of insufficient food consumption and the number of people with insufficient food consumption was fluctuated from 6.01 to 6.23 million people in October.



Most parts of the country started receiving rainfall as from the first week of October, however the cropping season has not yet started as the country is still to receive adequate rainfall to support crop germination and growth. Farmers have started land preparation activities, and this has resulted in an increase in casual labour opportunities for vulnerable households.



The annual inflation declined for a third consecutive month: from 838% in July to 761% in August and was pegged at 659% in September 2020. This downward trend is also reflected in food inflation which decreased from 977% in July to 761% in August and pegged at 724% in September 2020.



Availability of maize grain on the formal markets remain low, estimated to be below 5% of the monitored markets, while availability of maize meal remained stable at an average of 53%.



Prices of basic food commodities in ZWL terms continued their upward trend, but the increased has stabilized to around 10% monthly increase in comparison to over 30% reported before June 2020. The relative stable price trends in ZWL terms is in line with stabilized foreign exchange rates.

1. Update on the COVID-19 Situation

Globally, the number of new daily COVID-19 cases are reported to be increasing and there are rising fears of a second wave. The number of confirmed increased from 35.7 million people by the 6th of October 2020 to 49 million people by the 6th of November 2020. This has led to some countries like Italy and Brazil reintroducing lockdown measures to contain the spread of the disease.

The number of the daily new cases in Zimbabwe remains below 30 although there are warnings of a possible resurgence of the infection if proper measures are not followed. Overall, the number of confirmed cases increased by 6% from 8,011 cases and 230 deaths by the 12th of October 2020 to 8,561 cases and 254 deaths by the 10th of November 2020. With declining new caseload, there has been concerns by the government of an increase in the number of people who have become complacent and are no longer respecting social distancing guidelines and wearing of face masks.

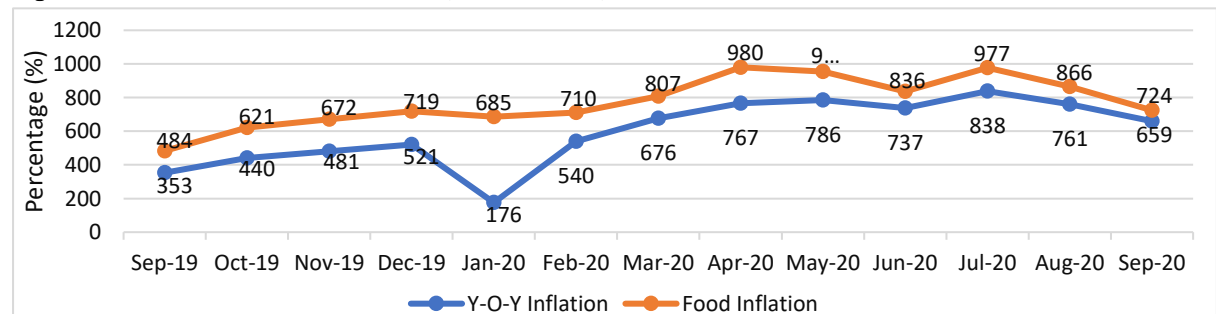
Although households have been able to get back to their usual livelihood activities, recovery is likely to take longer and without external support some vulnerable households might not be able to recover but slide into chronic food insecurity and deepening poverty. One of the main impacts of COVID-19 was challenges in accessing markets reported by 23.6% of the households (second week of October) and 20.6% (last week of October) (<https://hungermap.wfp.org/>). The top barriers to accessing markets included lack of money (12.9% during the second week and 11.5% by the last week) and travel restrictions (5.1% during the first week and 3.1% by the last week). There was a general decrease in the proportion of households reporting this challenge as a result of the relaxation in some of the restrictions and the ability by the households to generate income though limited from their livelihood activities.

2. Macro-Economic Update

The country continues to record a decline in both annual and food inflation for a third consecutive month, mainly attributed to the stability in the foreign currency exchange rate. The annual inflation declined from 838% in July to 761% in August and was pegged at 659% in September 2020. This downward trend is also reflected in food inflation which decreased from 977% in July to 761% in August and pegged at 724% in September 2020 (**Figure 1**). The consumer price index increased by 3.8% in September compared to 8% in the previous month. The decline in inflationary pressure has brought relief to vulnerable households who were failing to adjust to the volatile market prices (<https://dataviz.vam.wfp.org/Hunger-Analytics-Hub>).

The official exchange rate was relatively stable over the month of October, shifting from ZWL81.40:1USD at the start of the month to ZWL81.35:1USD on the 30th of October 2020. The stability in the exchange rate has generally been reflected in prices of basic commodities and services.

Figure 1: Zimbabwe Inflation Trends (2019 – 2020)



Source: RBZ, 2020

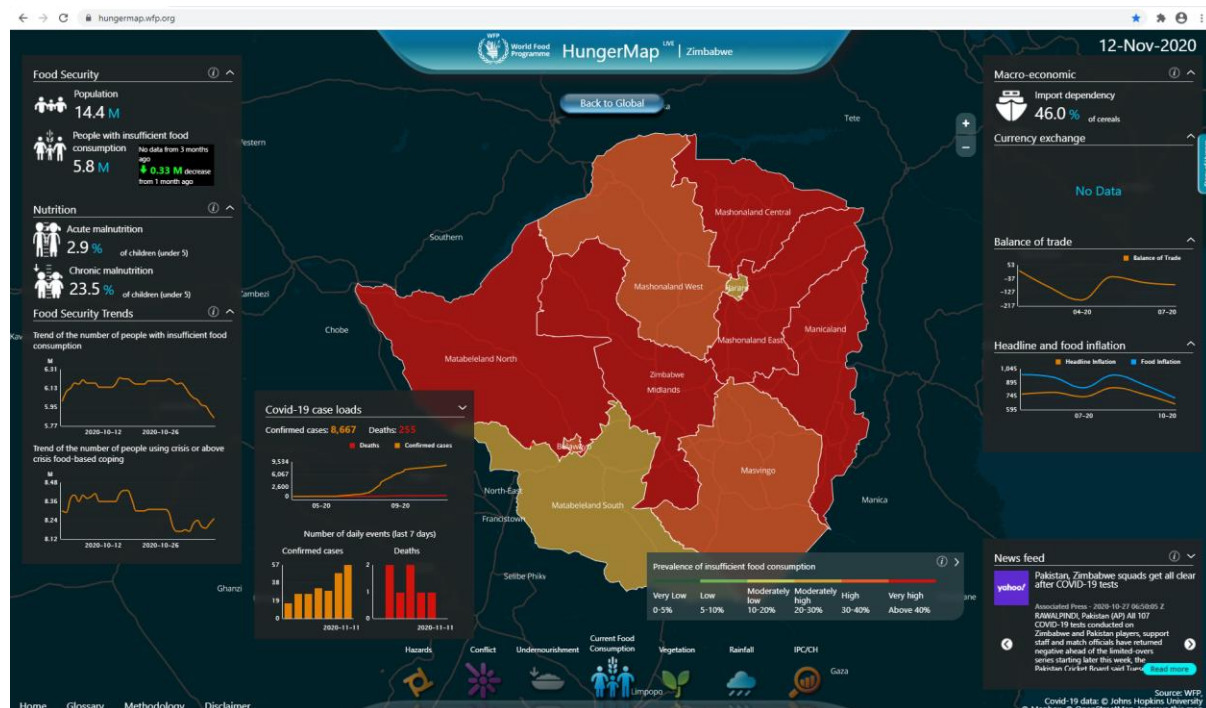
3. Food and Nutrition Security Situation and Updates from the Hunger Monitoring

The members of the Zimbabwe Vulnerability Assessment Committee (ZimVAC) and members of the Food Security and Livelihoods Cluster conducted the 2020 rural Integrated Phase Classification (IPC) analysis in October – an exercise supported by the Global and regional IPC experts. The analysis covered October-December 2020 and a projection for January-March 2021, and the report is currently being finalized, but is not yet released. However, compared to the IPC analysis conducted in the past for the same time periods, the numbers of acutely food-insecure people in IPC Phase 3 (Crisis) or Phase 4 (Emergency) have reduced. The IPC analysis took into consideration the scaled-up and anticipated large-scale humanitarian food assistance, therefore, the population in Phase 3 or above does not necessarily reflect the full population in need of urgent action to decrease food gaps and protect and save lives and livelihoods. The main drivers of the food insecurity were sighted to include poor rainfall performance leading to and large scale crop failure and reduction in income and food from own production and casual labour for 3 consecutive seasons; economic challenges being faced in the country and the impacts of COVID-19 restrictive measures to contain its spread which inhibited households from engaging in meaningful livelihood activities from March to August when the government started relaxing the lockdown measures.

The WFP Hunger Monitoring unit collects remotely daily household food security data on a number of indicators including food consumption patterns, impacts of COVID-19 on livelihoods and income sources and macro-economic indicators. The findings of this remote data collection is summarised in a live hunger map and weekly snapshot reports (<https://hungermap.wfp.org/>). The Hunger Map for Zimbabwe at the end of October 2020 showed that 6 out of 10 provinces were experiencing very high prevalence of insufficient food consumption.

During the reporting month, the estimated number of people with insufficient food consumption, measured as poor or borderline food consumption, increased from 6.01 million at the start of the month to 6.18 million at the end of the month, with some fluctuations in between. The number of people estimated to be using crisis or above crisis food-based coping increased from 8.3 million during the first week to 8.17 million in the last week (Figure 2).

Figure 2: Zimbabwe Hunger Map

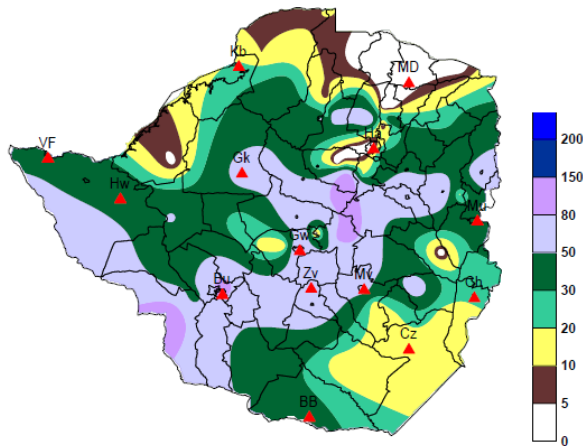


Source: <https://hungermap.wfp.org/>

4. Rainfall Season Update

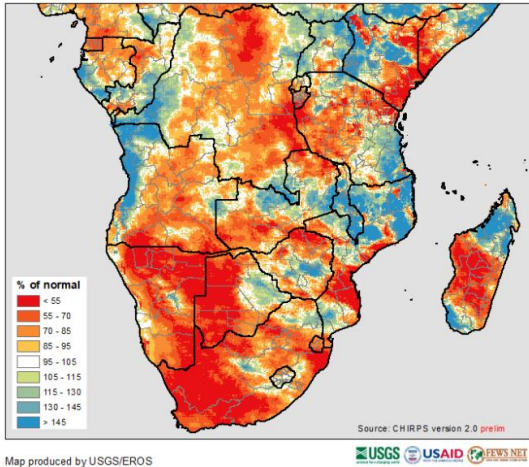
The 2020/21 cropping season has not yet started as the country is still to receive adequate rainfall to support crop germination and growth. Most parts of the country started receiving rainfall as from the first week of October, however the accumulated rainfall amount is below long-term average for this time of the year (**Figure 3 and 4**). Farmers have started land preparation activities, and this has resulted in an increase in casual labour opportunities for vulnerable households. As the season continues, and farmers engage on more farming activities, casual labour opportunities usually improve. The government reported working with the private sector to ensure seed and other farming inputs are readily available to farmers to enhance the chances of a successful cropping season.

Figure 3: NACOF seasonal outlook OND 2020



Source: Meteorological Department of Zimbabwe

Figure 4: Accumulative Rainfall percent of normal: Oct pentad 6 2020



5. Market Performance Update

This section provides a summary of commodity availability and prices for both rural and urban markets covering maize grain, maize meal, sugar beans and vegetable oil.

In general terms, commodity prices have remained high but more stabilized since the drastic increasing trend observed during, and immediately after the first half of 2020. The findings of the market monitoring over the month of October showed a stability for both availability and prices when compared to September 2020. The general stability in prices, with average month on month increases of 10% in comparison to more than 30% as was reported before July, is mainly linked with the stability in the foreign exchange. Prices in USD slightly increased in comparison to September but generally remain below the 2yr average. On average, mobile money payments attracted a premium of 5.5% higher than the bond notes prices, similar to what was reported in September.

Maize grain availability and price

Availability of maize grain remain considerably below typical at this time of the year after harvest and at the start of the lean season. The commodity was reported available by a weighted average of 3.3% of the markets i.e. 4.7% of urban and 2% of rural markets. The availability of the commodity has been below 5% for more than 3 consecutive months. This situation has an impact on access mainly in peri urban and urban areas where they rely more on the market for the commodity.

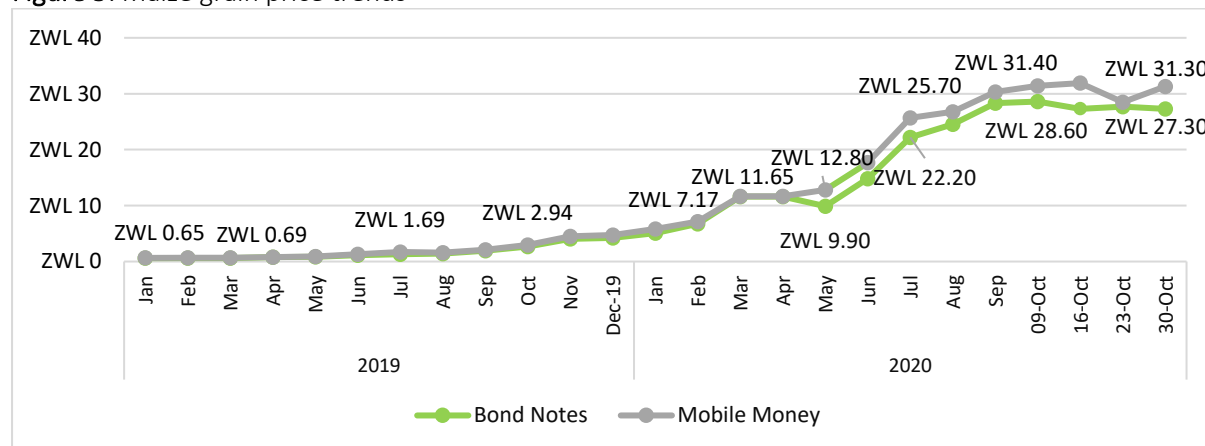
Over the month of October, maize grain prices were collected from at least one market from 8 urban centers and 6 rural districts. Most of the rural districts (Chiredzi, Chivi, Masvingo rural, Mbire, Muzarabani and Nkayi) are the same districts that reported availability since August. This is an indication that the rest of the rural districts have been experiencing unavailability of the commodity for at least three consecutive months. Although the commodity is also available through farmer to farmer sales and mobile traders with no fixed location there is need to conduct a comprehensive assessment on the availability and also map supply sources for the rural districts.

The price data reported continues to be from a limited number of markets which are not representative at national level. However, the average price for the commodity in ZWL terms remained relatively stable in comparison to September, decreasing marginally by 2% from the ZWL28.30/kg reported for September to an average of ZWL27.73/kg for October. Compared to same time last year, the commodity price increased by more than 900% from an average of ZWL2.66/kg.

During the first week of October, the commodity was selling at an average price of ZWL28.60/kg and decreased by 5% to ZWL27.30/kg during the last week of the month, mainly in rural areas (**Figure 5**). The marginal decrease in the price of the commodity requires further investigation to understand fully the issues of supply and demand but it is reflective of the current inflationary downward trend. If this trend continues, it can lead to improved food and nutrition security as households might realise improved disposable income at household level after a reduction in the amount required to meet their cereal needs.

Mobile money payment attracted an average premium of 11%, with the highest premium of 17% recorded during the second week.

Figure 5: Maize grain price trends



Source: Harmonized Markets Monitoring

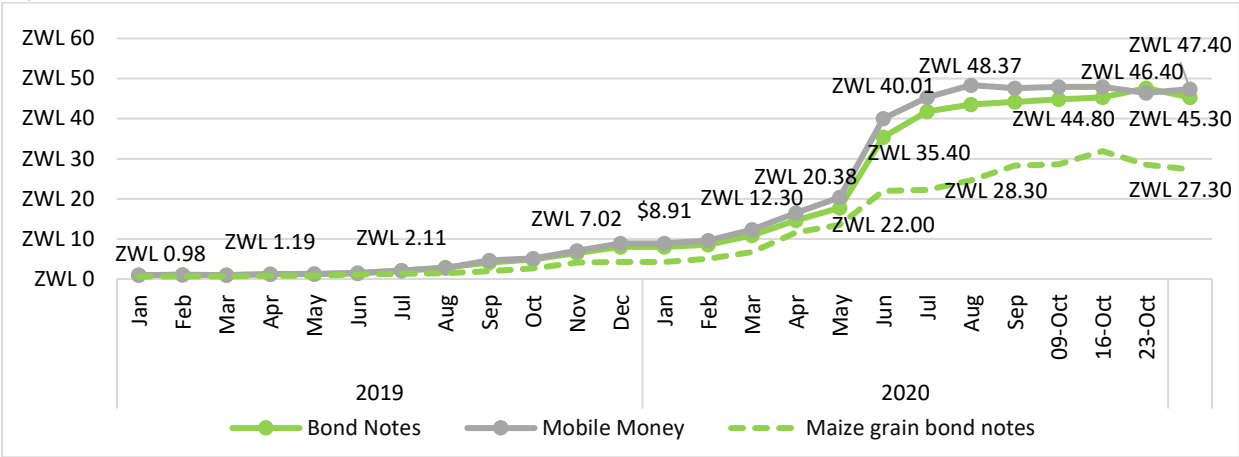
Unrefined maize meal availability and prices

Unrefined maize meal was available in an average of 53% of the markets - a decrease from 60% reported for September. Availability of the commodity was higher in urban markets at an average of 68% of the markets compared to 39% of the rural markets.

Maize meal price remain about 57% higher than the cost of maize grain hence the reason why vulnerable households prefer purchasing maize grain. The commodity was selling at an average price of ZWL45.75/kg, an increase of about 4% in comparison to ZWL44.15/kg reported in September. During

the first week of the month, the commodity was selling at an average price of ZWL44.80/kg and increased slightly to ZWL45.30/kg during the last week of the month, an indication that the price of the commodity was relatively stable over the month (**Figure 6**). Mobile money payments were charged at an average of ZWL47.40/kg during the last week of the month, a price 4% higher than for bond notes.

Figure 6: Maize meal price trends



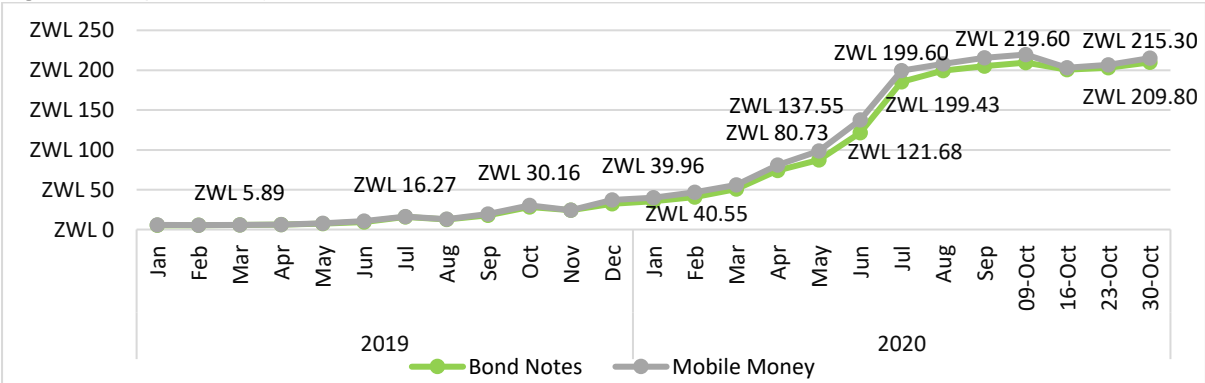
Source: Harmonized Markets Monitoring

Sugar beans availability and prices

Sugar beans is also supplied from farm produce and community gardens and remain as one of the main sources of protein for both rural and urban vulnerable households and it is affordable and readily available. The commodity was reported available in an average of 64% of the markets, similar to September. Availability was higher in urban markets at an average of 78% of the markets compared to 55% of rural markets. Rural households consume from own production as compared to urban markets, hence the low availability in urban markets.

The commodity was selling at an average price of ZWL209.80/kg during the last week of October which is similar to ZWL210.40/kg reported during the last week of September (**Figure 7**). The commodity was also selling at an average price of ZWL215.30/kg for mobile money payments, a price 3% higher than that for bond notes.

Figure 7: Sugar beans price trends

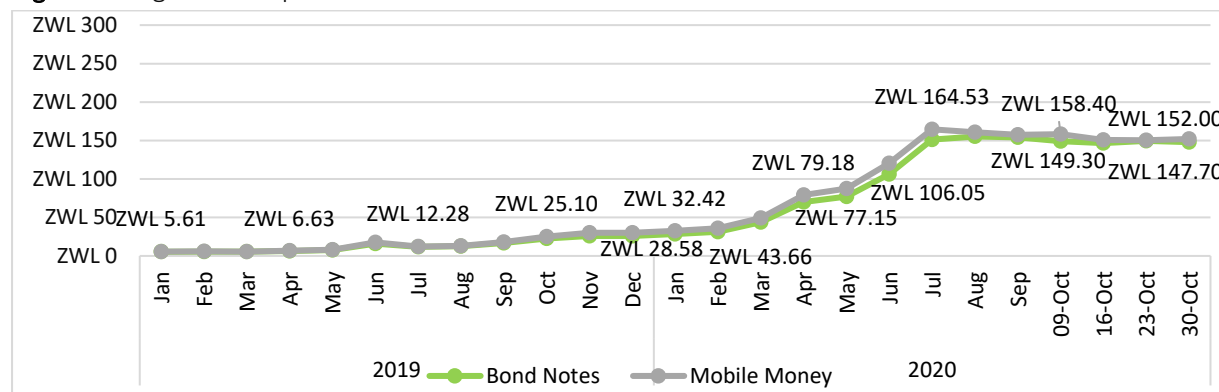


Source: Harmonized Markets Monitoring

Vegetable oil availability and prices

Vegetable oil availability remain high and stable with an average 94% of the surveyed markets reporting availability, without significant differences between rural and urban markets. In bond note payments, the price decreased by 4% from ZWL153.70/L reported during the last week of September, to ZWL147.70/L during the last week of October. The average price of for mobile money payments was ZWL152/L, a price 4% higher than that of bond notes (**Figure 8**).

Figure 8: Vegetable oil price trends



Source: Harmonized Markets Monitoring

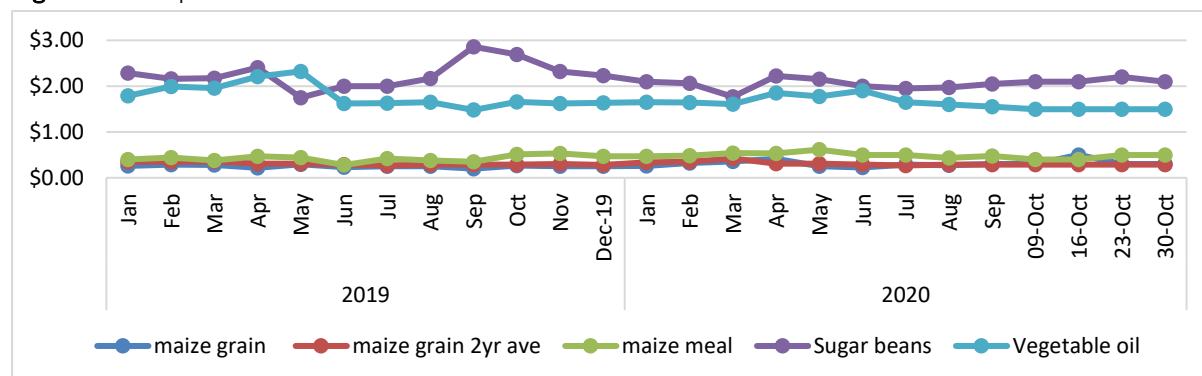
Food Commodity Prices in Foreign Currency

In general, USD prices have remained more stable, and did not witness similar increase that has been observed in local currency payments during 2020. However, there have been spikes that were recorded from week to week mainly caused by supply and demand and also issues related to the exchange rate.

Month-on-month as well as over the month of October, the average price for maize grain remained stable at \$0.30/kg (**Figure 9**). With the start of the lean season, the price of the commodity is likely to increase in line with seasonal variations. The USD maize grain price is similar to the two-year average of \$0.29/kg.

Unrefined maize meal sold at an average of \$0.45/kg, a price which is 6% higher than the \$0.48/kg reported in September 2020, but stable compared to the 2yr average of \$0.46/kg. Sugar beans sold at an average USD price of \$2.13/kg which is 3% below the long-term average of \$2.2/kg. Cooking oil was selling at an average price of \$1.50/L, a marginal decrease of 3% from \$1.55/L reported in September and 6% lower than the 2yr average of \$1.6/L.

Figure 9: USD price trends for the food basket commodities



Source: Harmonized Markets Monitoring

5. Recommendations

Among the key recommendations emanating from the analysis above include;

- i. Monitor the season performance as well as prevailing agricultural activities throughout the rainfall season.
- ii. The availability of maize grain continues to be poor, therefore there is need to:
 - a. monitor maize grain imports
 - b. continue monitoring availability of the commodity and market linkages with source market
 - c. continue assessing feasibility and best modality of assistance by geographical level.
- iii. Considering both remaining increasing price trends and low seasonal commodity availability at the formal markets, it would be advisable to start discussions on a market survey that was planned for 2020 but was put on hold due to COVID-19.