



Food Security Bulletin

WFP VAM | Food Security Analysis

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KEY MESSAGES

- The Food Reserve Agency (FRA) has purchased 875,000 metric tons (mt) of maize from farmers, exceeding its earlier target of 500,000 mt.
- Maize grain prices have been falling, but they are still above their respective five-year average values. Prices of other food commodities, such as roller meal, breakfast meal, dry beans, and groundnuts, have been declining as well.
- At markets in Nchelenge district, maize grain, maize meal, cooking oil and salt prices were stable while dried bean prices were up by 12 percent.
- The cost of the Basic Needs and Nutrition Basket has declined owing to reductions in prices of some locally produced and imported food items.
- The annual price inflation rate declined for a third month in a row.
- The performance of the 2021/22 rainfall season has been largely favorable and consistent with expectations, with substantial rainfall amounts observed in Northern, North Western and Luapula provinces.



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Maize availability and stocks

FRA has a considerable volume of maize on hand. In October, the Government of Zambia granted the agency permission to purchase up to one million metric tons of maize for national strategic storage and export to the regional markets.

Grain traders were also given permission to export another 450,000 mt of white maize to assist in the offloading of grain held by farmers. So far, FRA has purchased nearly 875,000 mt of maize from farmers around the country. The agency aims to buy another 200,000 mt, to bring the total amount of maize purchased to one million mt.

Figure 1: Maize purchases by FRA



Photo credits: ZNBC October 2021

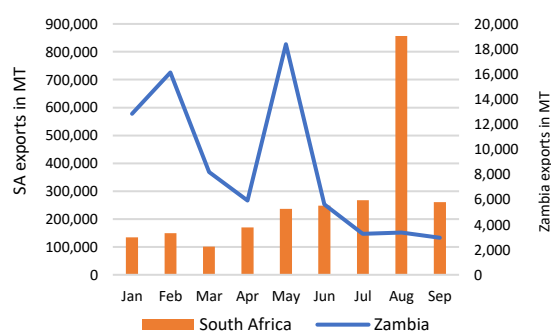
Regional maize trade

In September¹, Zambia exported 2,954 mt, with Namibia receiving 94 percent of the total. These exports were 12 percent and 82 percent below the August levels and the five-year average, respectively.

South Africa, continued dominating the maize export market in the same period, exporting over 260,000 mt, with 83 percent of that destined for international markets.

Compared to other main regional markets, was cheapest in Mbeya, Tanzania (USD 0.13) and Lilongwe, Malawi (USD 0.16) and most expensive in the Lubumbashi, Democratic Republic of Congo (USD 0.29) and Harare, Zimbabwe (USD 0.38)² per kilogram. Prices of the commodity were comparable at Randfontein, South Africa (USD 0.22) and Lusaka, Zambia (USD 0.22) markets.

Figure 2: Formal maize export in MT

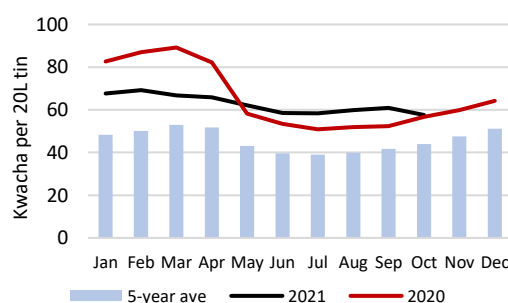


Source: ZamStats September 2021

Prices of maize grain

Between September and October 2021, the national average maize grain price fell marginally by 5 percent but remained above respective five-year average and 2020 levels (Figure 3). At provincial markets, prices of maize grain stabilized at some markets while declining by up to 17 percent at other markets. Compared to 2020 levels, prices were similar or slightly higher. However, in comparison to five-year average levels, prices were 20 percent to 40 percent higher. Maize grain prices were

Figure 3: National maize average prices in ZMW



Source: ZamStats September 2021

¹ Availability of formal trade data lags by a month of the reporting period due to a lengthy data consolidation process

² Price represent parity price using official exchange rate. The price was as low as USD 0.22 using the parallel market rate.

least at markets in major surplus areas (Chipata and Choma) where the price was K50.00 (approximately USD 2.93) per 20 litre tin (18 kilograms). The highest price was noted at Mongu market, which is in a major grain deficit area, where it was K74.83 (about USD 4.39) for the same quantity (**Annex 1.1**).

Prices of other cereals and pulses

Roller maize meal prices generally declined by between 5 percent and 21 percent in October, reflecting improved maize supplies from above average harvests. Prices were comparable to respective 2020 levels except for Kasama, Lusaka and Mansa markets where they were higher by between 14 percent and 26 percent. Prices of the commodity were significantly higher when compared to respective five-year averages. Roller meal price levels varied throughout provincial markets, with Mongu market recording the highest (K125.19 or USD 7.34 per 25-kilogram bag), while in Choma it was K77.00 (USD 17.06) for the same quantity, reflecting variations in maize production levels for the respective provinces (**Annex 1.1**).

Prices of **breakfast maize meal** were reasonably stable at provincial markets. In Ndola, however, the price of the commodity dropped by 8 percent between September and October. Prices across provincial markets were 10 percent to 30 percent higher than their respective 2020 levels, and between 30 percent and 50 percent higher than their respective five-year average levels. Breakfast meal prices varied widely between provincial markets, with Ndola registering the lowest price of K124.72 per 25-kilogram bag (about USD 7.31) while Chinsali recorded the highest at K165.00 (approximately USD 9.67) for the same quantity (**Annex 1.2**).

Mixed trends were observed in the prices of **dried beans**. In Chinsali, Kasama, and Mongu markets, prices increased by up to 26 percent, whereas in Choma and Solwezi markets, prices fell by up to 23 percent in October. In the remaining provincial markets, prices were stable. Dried bean prices were significantly above average (12 percent to 115 percent higher) when compared to respective five-year average values.

In October, there was variation in bean price levels among provincial markets. At markets in major surplus areas such as Kasama market, the dry bean price was as low as K16.66 (USD 0.98) per kilogram. The commodity was likewise reasonably priced in Solwezi and Kabwe, at K18.61 (USD 1.09) and K20.00 (USD 1.17) per kilogram, respectively. Bean prices were highest in Lusaka at K41.10 (USD 2.41) and Chinsali at K40.12 (USD 2.35) per kilogram (**Annex 1.4**).

Local rice prices fell by up to 22 percent between September and October, apart from the Mongu market, where the price rose by 14 percent. Prices of the commodity were between 8 percent and 43 percent beyond their respective 2020 levels, and between 10 percent and 80 percent above their respective five-year average levels. The local rice prices were comparable across provincial markets, ranging between K20.70 (USD 1.21) and K29.45 (USD 1.73) per kilogram (**Annex 1.5**).

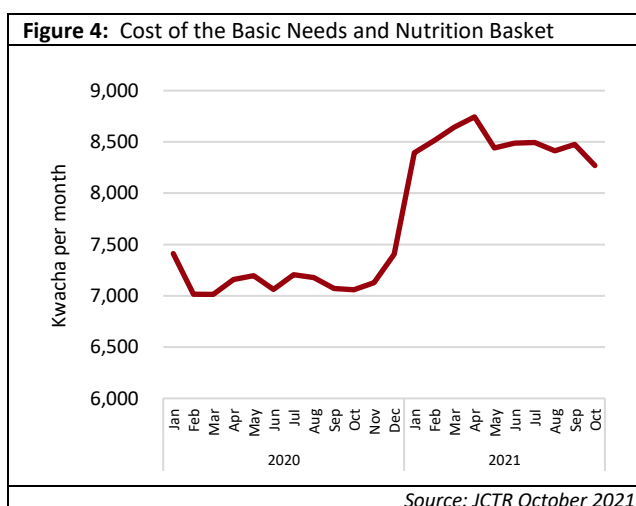
Prices of **groundnuts** at provincial markets fell by up to 20 percent in October, except for Mansa and Ndola markets, where they rose by 11 percent and 8 percent, respectively. Prices of the commodity were as high as 60 percent and 110 percent above the 2020 and five-year average values, respectively. Local rice prices varied greatly between markets, with Choma market recording a low of K11.83 (USD 0.69) per kilogram while Kabwe posted a high of K41.83 (USD 2.45) per kilogram (**Annex 1.6**).

In **Nchelenge district**, where WFP supports the Mantapala Refugee Settlement, prices of cereals (e.g., maize grain as well as breakfast and roller meal), cooking oil and salt remained stable between September and October. However, dried bean prices increased by 12 percent over the same period under review (**Annex 2**).

Cost of living monitoring

In October, the Basic Needs and Nutrition Basket (BNNB) for a family of five living in Lusaka cost K 8268.72, according to the Jesuit Centre for Theological Reflection (JCTR). This is a K205.73 drop from the K8,474.45 basket in September (**Figure 4**).

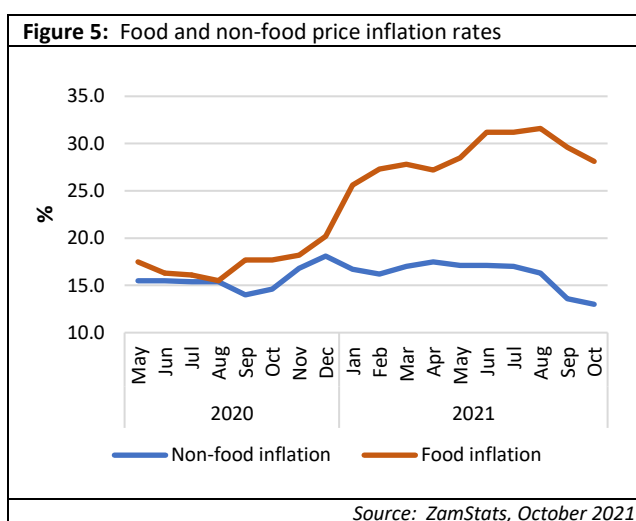
The downward movement in the price of the basket is attributed to reduced prices of some essential food items due mainly to the appreciation of the Zambian Kwacha in August, leading to reduced prices of some imported goods.



Macro-economic conditions

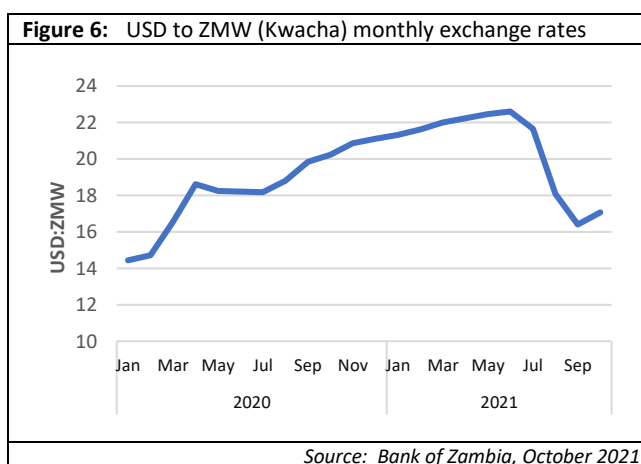
The annual rate of consumer price inflation declined to 21.0 percent from 22.1 percent between September and October. The rate has fallen for a third month in a row. However, annual food price inflation remains high, at twice the rate of annual non-food price inflation (**Figure 5**).

The non-food price inflation however fell to 28.1 percent in October, down from 29.6 percent the previous month. The annual rate of non-food price inflation declined to 13.0 percent from 13.6 percent the month before.



Between September and October, the Kwacha depreciated slightly against the US dollar, with the exchange rate increasing by 4 percent. This was owing to a strengthening of the US dollar, slightly stifling the Kwacha's strong gains since the August elections (**Figure 6**).

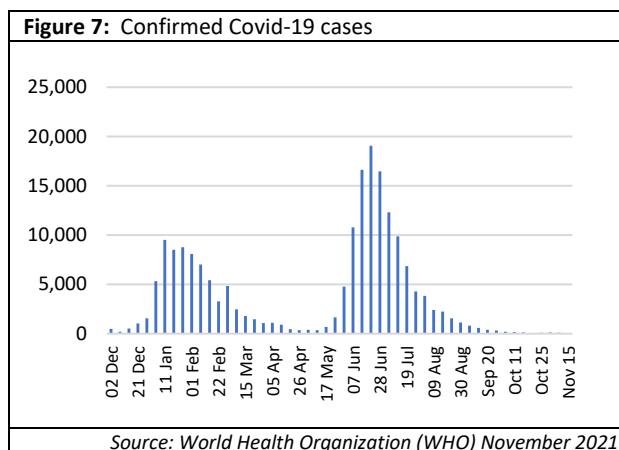
The Government of Zambia raised its economic growth predictions for the year 2022, and that there is optimism of returning



the economy to its pre-pandemic size. While all the debt commitments for 2022 were listed in the national budget presented to the National Assembly on 29 October 2021, it is expected that not all of the international debt obligations will be fulfilled as debt repayments eat into reserves.

COVID-19 context

In October, COVID-19 infection rates in the country were low (**Figure 7**), with fewer deaths. By mid-November, the country had recorded nearly 210,000 cases, with 3,666 fatalities. Additionally, fewer than 10 COVID-19 patients in hospitals. The immunization drive by Zambia's Ministry of Health is, however, unlikely to reach its target of 30 percent of the eligible population (aged 18 years or above) by the end of December. This is mainly due to limited demand for vaccines among the communities.

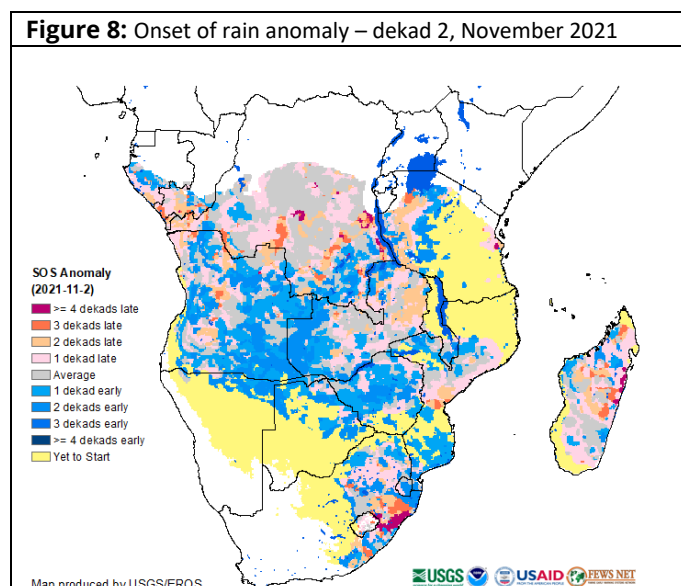


A total of 612,033 Zambians had been fully vaccinated by the 15th of November (with a further 383,921 having received a first dose). The Ministry of Health announced at the beginning of November that an aggressive increase in countrywide vaccination rates for the eligible population was required during November and December, from the present daily average of roughly 3,000 to 30,000 per day.

However, as of the 27 November, some European countries particularly the United Kingdom, Germany and Italy have imposed bans on travellers from southern Africa against the advice of the World Health Organization following confirmed cases of the new Omicron strain of the coronavirus said to be originating from the region. In response, the Zambian government has introduced a soft lockdown which limits access to some social services to only vaccinated populations, effective 30th November 2021.

The 2021/22 rainfall season monitoring

The Climate Prediction Centre of the National Oceanic and Atmospheric Administration (NOAA) predicts a Western Pacific La Nina event, which will endure until March 2022. As a result, the Southern Africa Regional Climate Outlook Forum (SARCOF) and the Zambia Meteorological Department are forecasting normal to above-average rains for the 2021/22 rainfall season in Zambia. These forecasts, as well as a background on Zambia's agroclimatology, may be found in the [August 2021 bulletin](#).

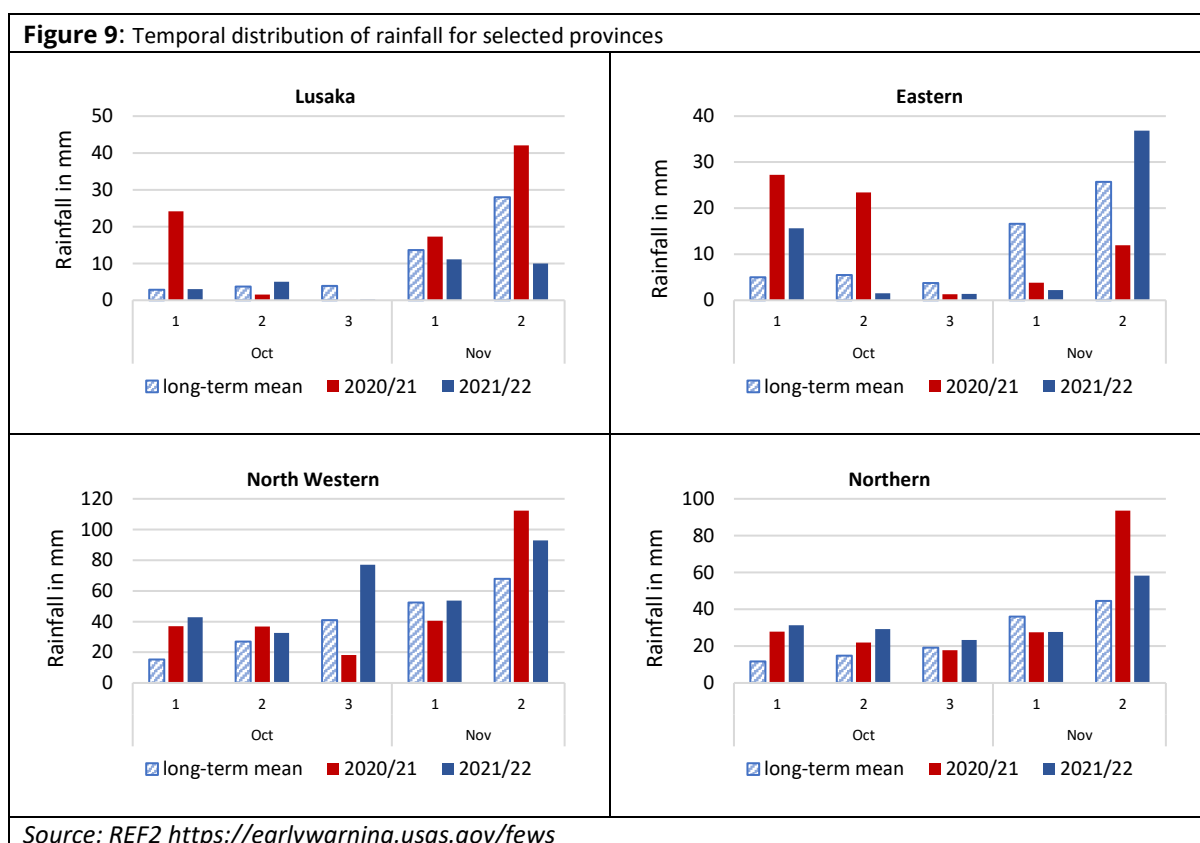


Start of the rainfall season

Rains throughout the country were generally early or on time. In particular, for Western province, as well as portions of Luapula and Northern, rains arrived about two dekads early. However, rains were two dekads late in Eastern and the bulk of Machinga, causing concern in parts (Figure 8).

Temporal rainfall distribution

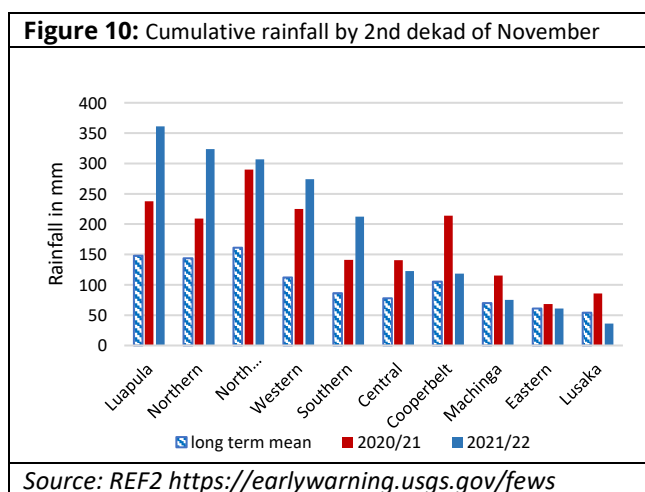
Between the 1st and 2nd dekads of October, rainfall performance in Northern, North Western, and Luapula provinces was good, with even distribution and above-average levels (Figure 9). In Eastern province, rainfall performance was poor as amounts were substantially below-average. Lusaka province has had the worst rainfall performance, with poor distribution and levels much below average and even 2020/21 levels (Figure 9).



Cumulative rainfall

Cumulative rainfall received in the provinces by the 2nd dekad of November were close to or well above long-term average levels in all provinces, with the exception of Lusaka, which recorded rainfall quantities of 33 percent lower than average. Rainfall totals in Luapula, Northern, North Western, Western, and Southern provinces have been more than double their respective long-term averages.

Overall, rainfall in the maize belt has been satisfactory, with substantially above-

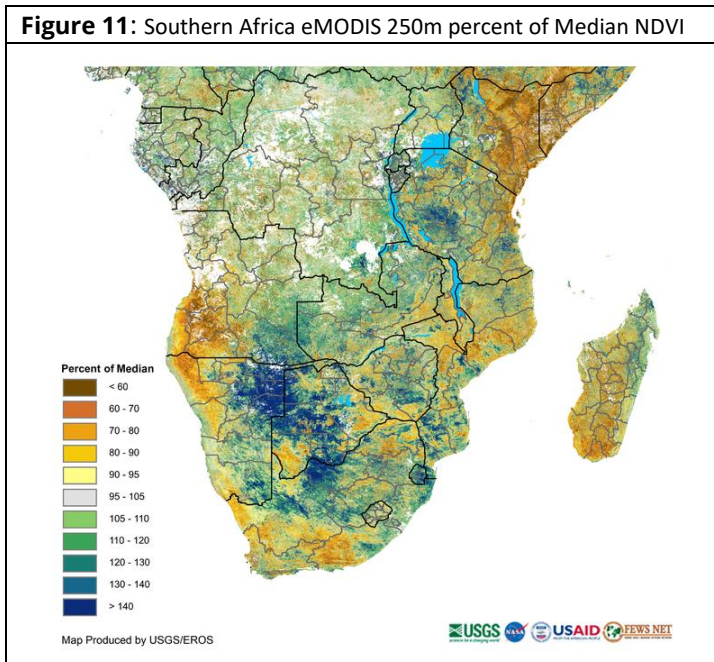


average quantities in the Southern and Central provinces and near-average amounts in the Eastern province.

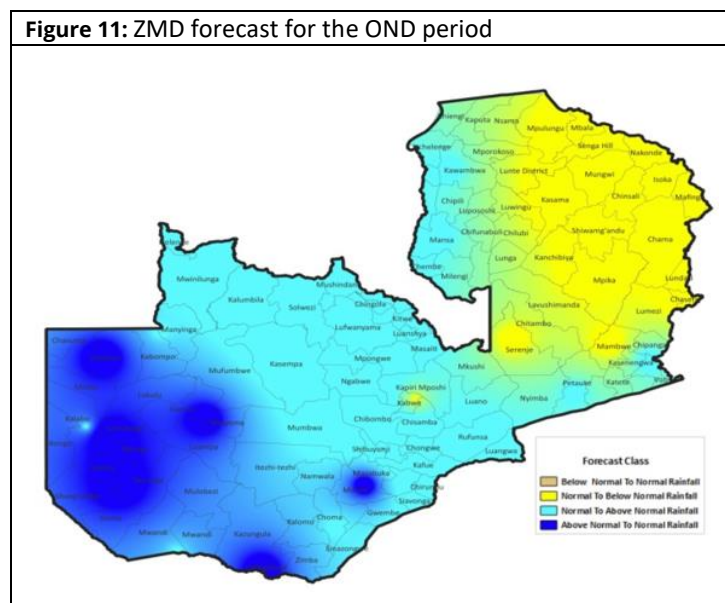
Vegetative conditions

Vegetative conditions are good in the northern part of the country, i.e., the combined cassava and maize belts, but somewhat below normal (10 percent to 20 percent below) in the maize belt southern half (**Figure 11**).

Parts of the Western province bordering Angola have considerably better than normal vegetative conditions. Concern is for the southern parts of Eastern province where vegetative conditions are roughly 80 percent to 90 percent of normal.



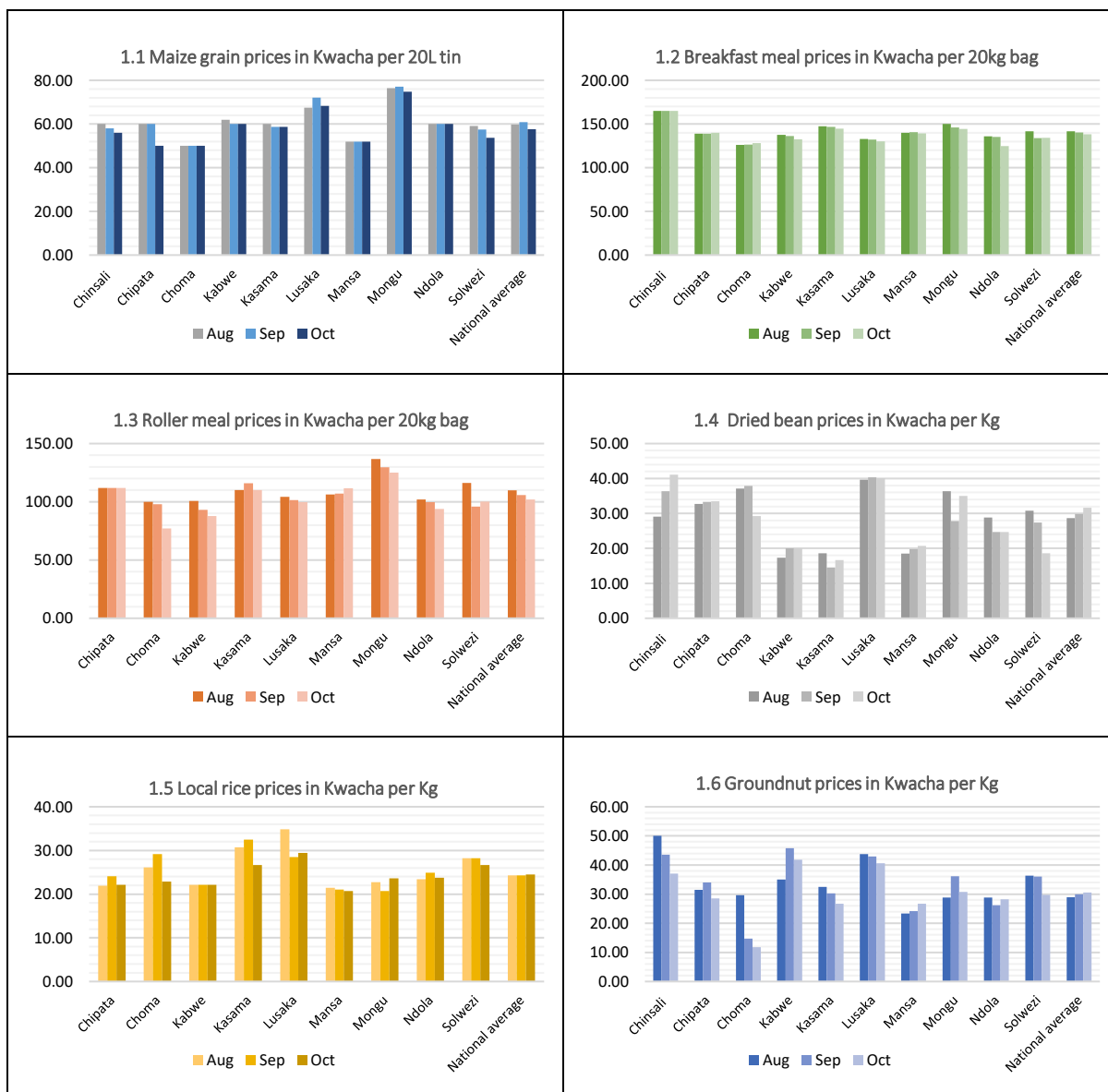
Validation of current conditions versus predictions



So far, cumulative rainfall in Western, Southern, Luapula, and North Western provinces has matched the Zambia Meteorological Department projection for above-normal rainfall in these areas (**Figure 11**).

On watch will be the rainfall performance in Northern province, which had been forecasted to receive below-average rainfall but has received above-average rainfall as well as Lusaka province with poor rainfall distribution during the onset of the 2021/22 season.

Annex 1: Cereal and pulses prices at provincial markets



Annex 2: Prices of the refugee food basket at Nchelenge district markets

