

The Famine Early Warning Systems Network (FEWS NET) issues periodic emergency alerts when a significant food security crisis is occurring, where portions of the population are now, or will soon become, extremely food insecure and face imminent famine. **Decision makers should give the highest priority** to responding to the situations highlighted by this **Emergency alert**.

Updated: 12 October 2005

## Limited Staple Food Availability and High Cost of Living Seriously Constrain Food Security

The levels of food insecurity continue to worsen for both urban and rural populations, due to the reduced availability of staple cereals and the ever rising cost of living.

Household food stocks are running low as the hunger season (September – January) is starting. More people are being forced to look for maize and maize meal on the market. While tremendous effort is being made by the government to import food into the country to cover the production gap, officially estimated at about 1.2 million MT of maize, in-country grain distribution problems arising from shortages of fuel and trucks are restricting the amount of grain available on the market, particularly in the remote parts of the country. At current importation rates, the government will manage to import about 80 percent of its targeted maize imports of 1.2 million MT. If the pledges from government cooperating partners to bring 300,000 MT of grain into the country in the current marketing year materialize, the national deficit will be closed.

Since the harvesting period (around May), informal maize trade prices have increased significantly in response to both inflation and reduced availability. The traditionally grain deficit southern districts had the highest informal market maize price increases. Here, maize prices had gone up by at least 50 percent by August 2005. Maize availability in these areas is at critical levels; even people with money are finding it difficult to buy maize or maize meal. Private traders and local shops in these areas are now taking advantage of the situation and asking for between Z\$4,400 and Z\$5,600/kg for maize grain. On the other hand, maize price increases were as low as 25 percent in the north central districts of Mashonaland provinces and Manicaland where local production was the dominant source of maize grain. Farmer to farmer to maize transactions were taking place at between Z\$2,200 and Z\$2800/kg in these areas (Figure 1b).

Figure 1a: Informal market maize grain prices (Z\$/Kg) around mid-May 2005

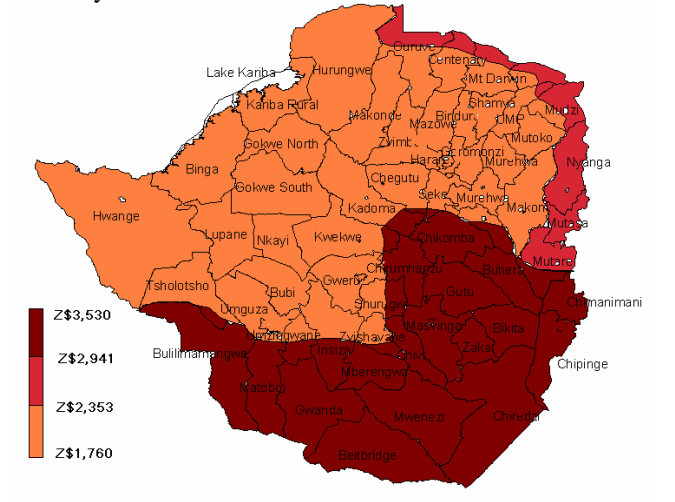
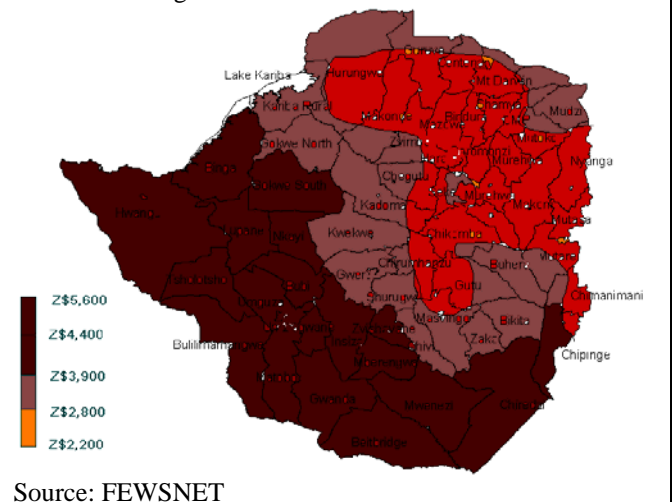


Figure 1b: Informal market maize grain prices (Z\$/Kg) around end-August 2005



Source: FEWSNET

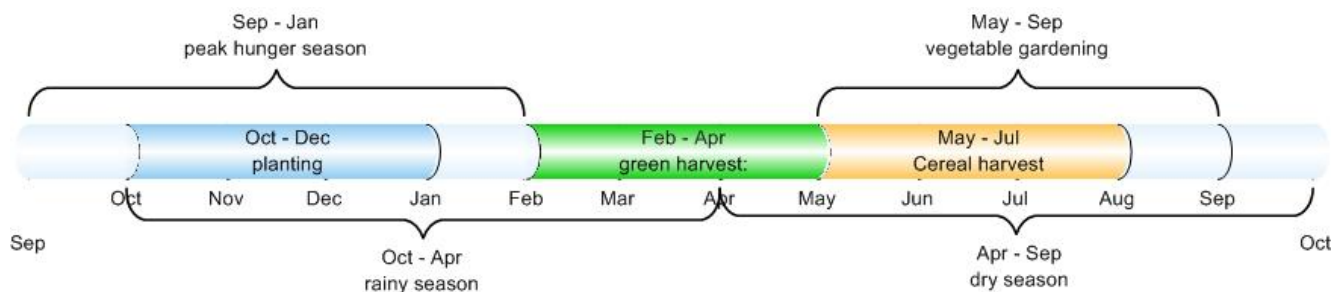
The hyper inflation charactering the Zimbabwean economy continues to push the cost of living beyond the reach of most households. The gains that had been made in the fight against inflation throughout 2004 and the first quarter of 2005 continue to be reversed. The Central Statistical Office (CSO) measured an annual rate of inflation that stood at the unprecedented level

of 623 percent in January 2004, but had gone down to 124 percent in March 2005. Since then inflation has risen sharply to 360 percent in September 2005. In July alone general prices levels leapt by a massive 47 percent. Though the month on month inflation for August went down to 8.3 percent, the September rate shot up to 33.3 percent as result of the official depreciation of the Zimbabwe dollar against major currencies, fuel price hikes and increases in value added tax take in August and September. The International Monetary Fund's 2005 economic review for Zimbabwe forecast annual inflation rate of 400 percent by December 2005. The Consumer Council of Zimbabwe (CCZ) monitored monthly food and non-food basket for low-income urban households of six stood at Z\$5,401,440 in July 2005, marking an increase of 27 percent from June 2005 level of Z\$4,247,808. By mid August 2005 the cost of the same basket had moved up by about 13.5 percent to reach the record high level of Z\$6,129,900. At the end of September the cost of the CCZ basket had soared to Z\$9.6million. Not only do consumers have to contend with exorbitant prices of basic commodities and services but they also have to grapple with rampant shortages of basic food stuffs such as salt, sugar, cooking oil and flour.

Given all these challenges the number of food insecure people is already substantially higher than the Zimbabwe Vulnerability Assessment Committee's (ZimVAC) estimate of 1.5 million food insecure rural people from July to September 2005. The urgent need to update the ZimVac projections of food insecure people can, therefore, not be overemphasized as affected populations require immediate food assistance to survive the hunger season.

Poor preparations for the 2005/06 Agricultural season lend little confidence to Zimbabwe's prospects for coming out of the current food security crisis in the next marketing year.

### Zimbabwe Crisis Timeline



Climate experts predict that Zimbabwe's cereal crop producing region has greater chances of good rainfall in the 2005/06 cropping season. However, Zimbabwean farmers may not be able to take advantage of the potentially good rainfall season because of serious shortages of critical inputs. Maize seed, fertilizers, fuel and spare parts for farm machinery are likely to be in serious short supply in the 2005/06 cropping season. Seed companies in Zimbabwe estimate that as of August 2005, they held in stock a total of 26,000 MT of maize seed. Prior to 2000, Zimbabwe used to use about 36,000 MT of maize seed and produce enough to feed the nation and export some maize to other countries. Assuming national maize yields will approximate those attained by communal farmers in the 1990s and the national maize grain requirements are about 2 million MT, close to 56,000 MT of maize seed will be required in the 2005/06 agricultural season. The fertilizer companies told the a parliamentary committee in early August that they had no fertilizer stocks, and hardly any production of the commodity was taking place because of lack of foreign currency to import the required raw materials. In the 1990s Zimbabwean farmers would use an average of about 400,000 MT of fertilizers, about 40 percent of which was used for the maize crop. National fertilizer production capacity cannot meet this demand in the time left even if adequate foreign currency is made available to import the critical inputs. Furthermore, it is highly unlikely that adequate foreign currency to import the required fertilizers could be secured if none could be availed for the raw materials.

**For more information see the FEWS NET Zimbabwe Country Center at: <http://www.fews.net/zimbabwe>**  
 The Famine Early Warning Systems Network is an USAID activity managed by Chemonics International Inc.  
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