

# Price Monitoring and Analysis Country Brief

**Malawi**

February 2010

## Key Messages

- After a fall in mid-2009, maize prices have stabilized. However September-January prices are still high relative to pre-crisis levels.
- The prolonged dry spell in the south since early December and the earthquake in the north, have affected the food security situation of nearly 300,000 people.
- Different agencies agree on favourable food security in the short term, but it worsens in the long term.
- The government supported poor farmers through input distribution programmes and released stocks to assist food insecure people.

## Background

In Malawi total population was 14.27 million in 2008. Of these 73% were living with less than 1\$ PPP per day and 29% was reported as undernourished.

Economic Indicators	View Data
Total Population - 2008 (WB)	14278404
Population growth rate - 2008 (WB)	2%
GNI per capita, \$ PPP - 2008 (WB)	830
Population below 1\$ PPP per day - 2004 (MDGI)	73%
Rural population - 2007 (WB)	82%
Agriculture, value added (% of GDP) - 2008 (WB)	34%

Food Consumption	
Undernourished Population - 2005 (FAO)	29%
Cereal share in total dietary energy consumption - 2005 (FAO)	56%
Meat share in total dietary energy consumption	n.a.

Health Indicators	
Pop. with sustainable access to improved sanitation - 2006 (WHO)	60%
Life expectancy at birth (years) both sexes - 2006 (WHO)	50
Pop. with access to improved drinking water sources - 2006 (WHO)	76%
Prevalence of HIV among adults aged >= 15 years - 2005 (WHO)	12%

## Prices

Maize prices are decreasing from peak levels of December 2008 and beginning of 2009 (72 MWK/Kg), however they still remain high. In Lilongwe market, maize prices have stabilized from September/October 2009 (43.50 MWK/Kg) to January 2010 (44 MWK/Kg). In the Southern market of Nsanje, maize prices are higher than Lilongwe market. Even though they slightly declined in November 2009 (from 50 MWK/Kg in October), maize prices tended to rise (50 MWK/Kg) in January 2010. In the same month, maize prices (294.98 USD/Ton) were nearly double (83%) the international prices of US Maize No.2 Yellow, US Gulf (161 USD/Ton).

## Natural Disasters, Drought and Conflicts

A series of earthquakes struck Malawi's northern district of Karonga between 6 and 27 of December, leaving thousands of households in need of urgent humanitarian assistance. Food security was also affected in southern districts by a prolonged dry spell which had led to localized reduction of maize crop production in 2009 and prospects for 2010 crops are also poor.



Source: GIEWS Country Briefs

Refugees and IDPs	2006	2007	2008
Total in the country	9188	9711	10716
Total outside the country	159	8287	8316

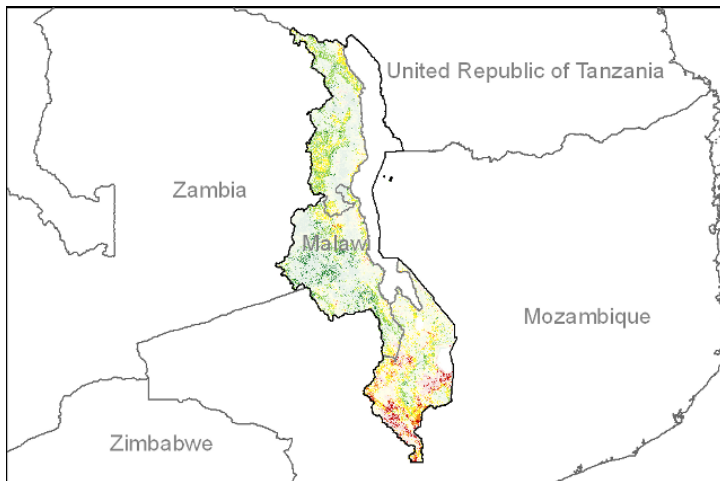
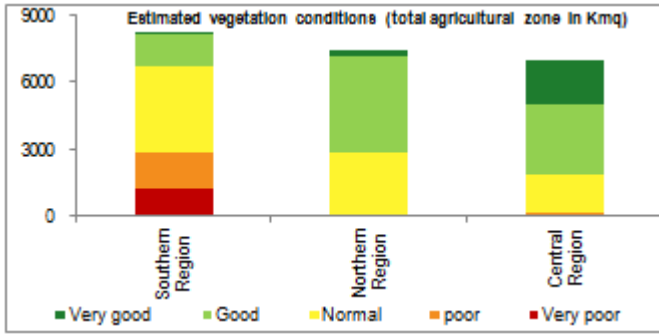
Source: UNHCR Statistical Online Population Database, United Nations High Commissioner for Refugees (UNHCR), Data extracted on 22/10/2009.

Disaster Type (last year)	Date	Location	Alert
Earthquake	2009-12-19	Northern Province	2/3
Earthquake	2009-12-08	Northern Province	2/3
Earthquake	2009-12-06	Northern Province	2/3

Source: Global Disaster Alert and Coordination System - 3 = 1000 or more people killed or 800000 or more people displaced. 2 = 100 or more people killed or 80000 or more displaced.

### Vegetation Condition

The middle of the rainy season presents normal to very good vegetation conditions except for some part of the Southern Region (poor and very poor conditions). The indicator of vegetation condition is the relative difference between the NDVI for January 2010 and the average of the last 10 years on the agricultural zones derived from the GLOBCOVER database.



Source: JRC MARS – FoodSec

### Food Security Situation

The number of food insecure people in the southern districts of Balaka, Chikwawa and Nsanje has increased from 147,000 in June to 275,000. In the long term, WFP and IFPRI report moderately high and a serious hunger problem.

#### CURRENT EMERGENCY ASSESMENT

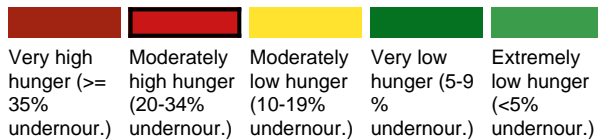
Malawi is not part of the countries in crisis requiring external assistance

[FAO/GIEWS CPFS 2009](#)

Following the MVAC assessment results, the government has approved free food distribution to all the people experiencing food insecurity in the districts of Balaka, Chikwawa, and Nsanje. [...more](#)

[FEWSNET](#)

#### SCALE OF HUNGER



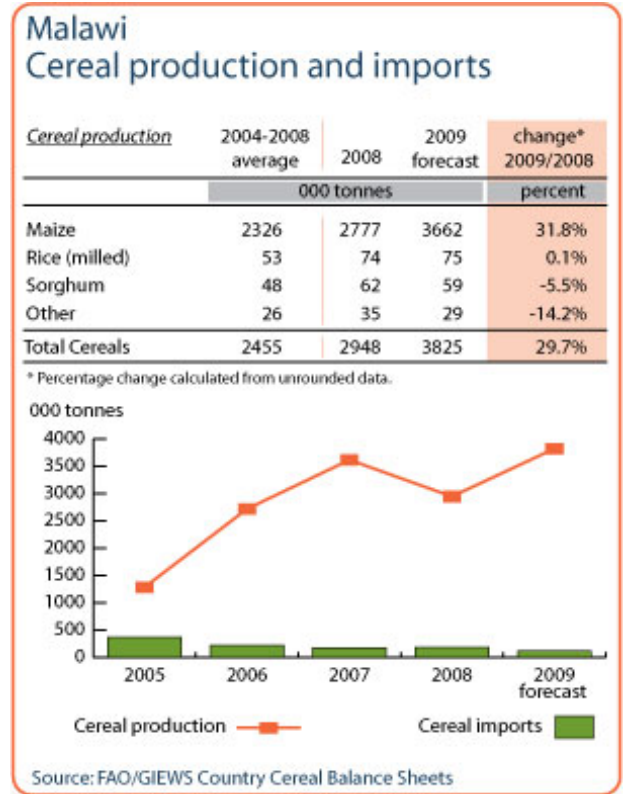
[WFP/2009 Hunger Map](#)



[IFPRI/2009 GHI](#)

### Food Balance Sheet

The 2009 maize harvest was 3.7 million tonnes, resulting in a national surplus. Localised areas however, experienced low crop production, due to the dry spell but informal trade from Mozambique is expected to stabilise food supplies.



Source: GIEWS Country Briefs

### Government Policies

The Government distributed subsidized seed and fertilizers to farmers. In Nov ADMARC, the Government marketing organization released 6,678 tons of maize from the Strategic Grain Reserve (SGR) for distribution to food insecure people. WFP food distribution for 147,000 people started in late Nov. The Gvmt has set the minimum support price for maize at MWK/kg 30.85 for the 2009/10 crop season.

Consumer and market oriented measures	Released of stock.
Producer oriented measures	Support to input for crop production; Increased minimum price for producers.
Trade policy measures	Export ban lifted.
Safety net (increased or introduced)	Food transfers.

Different sources

#### Current events to watch (Click to see the full report)

- [MALAWI: Mybell Ngomba, "Something must be done quickly before we..."](#)
- [MALAWI: More earthquakes expected](#)
- [MALAWI: Esinati Chimpere, "Is it a crime to be HIV positive?"](#)
- [MALAWI: Lucy Chikoti, "My husband wants to marry another woman b..."](#)

For more information, contact: [Information-for-action@fao.org](mailto:Information-for-action@fao.org)  
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