

Minimal (IPC Phase 1) area-level outcomes are projected for most of the outlook period

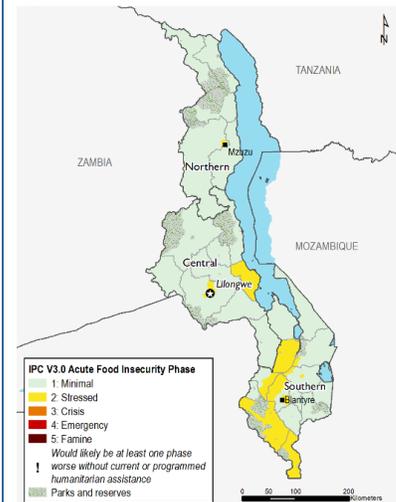
KEY MESSAGES

- Most rural households are currently experiencing increased food access alongside ongoing harvesting and the start of a new consumption year. Minimal (IPC Phase 1) food security outcomes are widespread across the country, with areas currently facing Stressed (IPC Phase 2) outcomes expected to transition to Minimal (IPC Phase 1) outcomes in May. However, by August/September, area-level Stressed (IPC Phase 2) outcomes are likely to re-emerge in Nsanje and Chikwawa districts due to the impacts of localized dry spells on crop production, while some poor households in other areas impacted by dry spells (including in parts of Balaka, Neno, Thyolo, and Kasungu district) are also likely to face Stressed (IPC Phase 2) outcomes by this time.
- Due to favorable rainfall and increased access to inputs under the new Affordable Inputs Program, Malawi is expected to realize above-average production of most food crops in 2021. According to first round production estimates, the country will produce an estimated 4.4 million metric tons of the maize staple, which is 42 percent above the five-year average and 29 percent above the estimated national requirement of 3.4 million metric tons.
- Prices for the maize staple have continued decreasing in response to increased availability as traders release old stocks in anticipation of the ongoing harvests. Maize prices in March 2021 ranged from MWK 133 to MWK 200 per kilogram across monitored markets, with most markets recording prices on the lower end of the range. Prices in March were 5 to 8 percent lower than the previous month, 13 to 52 percent lower than prices at the same time last year, and 6 to 31 percent below five-year average levels.
- Further easing of COVID-19 restrictions and improvement in economic activity are increasing income-earning opportunities for many low-income urban households. As a result, area-level outcomes in urban areas are expected to be transitioning from Stressed! (IPC Phase 2!) to Stressed (IPC Phase 2) as the humanitarian assistance program concludes. Given further increases in economic activity expected in the post-harvest period, Minimal (IPC Phase 1) outcomes are anticipated at the area level in the July to September period. However, the potential for a third wave of COVID-19 remains a threat to food security for urban populations.

CURRENT SITUATION

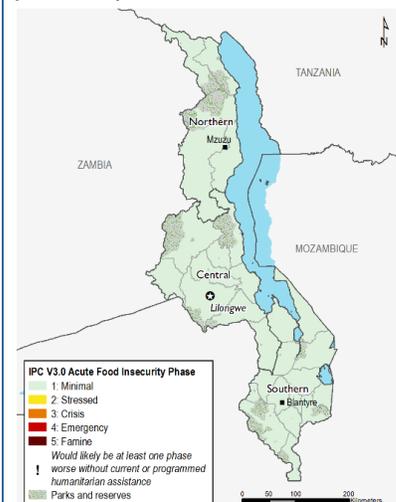
The main harvest of the 2020/21 agricultural season began in April 2021 and is expected to last through June. Typically, southern areas start harvesting earliest, in April, while northern areas start harvesting in May. Most districts in the southern and central regions have now started harvesting their crop, improving household access to maize. In northern areas, harvesting activities have not started in earnest, though households have access to green harvests.

Projected food security outcomes, April to May 2021



Source: FEWS NET

Projected food security outcomes, June to September 2021



Source: FEWS NET

FEWS NET classification is IPC-compatible. IPC-compatible analysis follows key IPC protocols but does not necessarily reflect the consensus of national food security partners.

According to first round production estimates by the Ministry of Agriculture and Food Security (MoAFS), Malawi is expected to realize above-average production of most food crops in the 2020/21 season. Production of maize—the main staple—is estimated at 4.4 million metric tons. This is 42 percent above the five-year average and 29 percent above against an estimated total national requirement of 3.4 million metric tons. This above-average production is attributed to average to above-average rainfall and increased access to seed and fertilizers through the government-run Affordable Inputs Program (AIP). Production is also expected to be higher than last year, marking a second consecutive above-average production year.

Despite average to above-average cumulative seasonal rainfall in most areas (Figure 1), some southern and central areas experienced localized dry spells in January and February 2021. This has reportedly affected crop development in parts of the southern Nsanje and Chikwawa districts in the Lower Shire Livelihood zone and smaller parts of the southern Balaka, Neno, and Thyolo districts and the central Kasungu district. Although crop estimates suggest that worst-affected Nsanje and Chikwawa districts are expected to realize near average production of rainfed maize (which is harvested in the main season) at the district level, households in the areas impacted by dry spells—mostly middle upland areas of Nsanje and Chikwawa where the climate is typically dryer—are likely to harvest lower amounts. Overall, while FEWS NET previously expected that the national-level first round production estimate for maize (4.4 million metric tons) would be revised downward due to the dry spells, increased production in other areas has likely compensated for the losses.

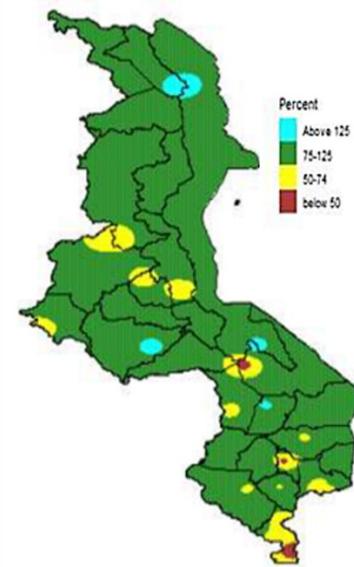
Tobacco auction floors across the country (Kanengo and Chinkhoma Floors in central Malawi, Limbe Floors in southern Malawi, and Mzuzu Floors in northern Malawi) are opening in phases between April 20 and May 4, 2021. As of late April, Kanengo and Limbe floors are open. According to estimates from the Tobacco Commission (TC), Malawi is expected to produce around 122 million MT of tobacco in the 2020/21 season against an estimated buyer demand of 132 million MT. Estimates for 2020/21 production are 15 percent below last year and 25 percent below the five-year average. Lower production this year is likely at least partially attributable to the fact that, according to media reports, some farmers were unable to grow tobacco this year due to insufficient income from production in the previous season. These farmers likely grew alternative crops (e.g. maize, soya), but these crops do not earn as much income.

Prices of maize grain decreased from February to March 2021, in line with typical seasonal trends before the harvest. The price decreases are largely attributable to increasing market supply as traders released old stocks in anticipation of the coming harvest. In addition, decreasing market demand as households begin consuming own-produced from the new harvest likely contributed to declining prices. In March, maize grain prices ranged from MWK 133 to 200 per kilogram across monitored markets, with the highest price of 200 MWK per kilogram recorded at the southern Mangochi Boma market. Maize grain prices in March were 5 to 8 percent lower than the previous month, 13 to 52 percent lower than prices at the same time last year, and 6 to 31 percent below five-year average levels. Below-average maize prices since January/February 2021 have been supporting food access for market-dependent households in both rural and urban areas.

Informal imports of maize grain have remained above average levels in recent months. In March 2021, 5,813 MT of maize were informally imported, mostly from Zambia through the Mchinji border. These March import levels were 26 percent higher than the previous month and 89 percent above average. Meanwhile, informal exports totaled 707 MT in March, 17 percent lower than the previous month and 27 percent below average. Most exports exited through Muloza border into Mozambique. Throughout the recently concluded consumption and marketing year, from April 2020 to March 2021, net imports totaled around 40,000 MT, around 120 percent above five-year average levels of 18,000 MT.

After a second wave of COVID-19 impacted the country in January and February 2021, the number of new COVID-19 cases reported daily has remained low in March and April according to data from the Ministry of Public Health (MoPH) (Figure 2). In April, the [seven-day moving average of new cases reported daily](#) has generally remained below 30—with fewer than three deaths per day—compared to over 900 cases and 30 deaths per day at the peak in January. Meanwhile, the test positivity rate has reduced from over 15 percent at the peak to around 1-5 percent currently. With these improvements, the government has continued to ease COVID-19 related restrictions. Most recently, on April 22, the government shifted the

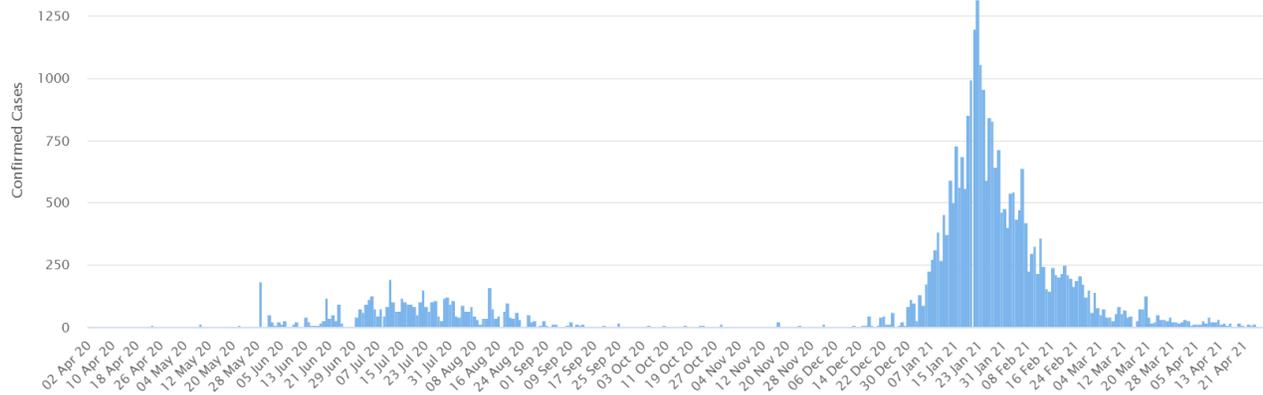
Figure 1. Cumulative rainfall from October 1, 2020, to April 20, 2021, percent of normal rainfall



Source: DCCMS

curfew from 9PM to 10PM, increased business operating hours, and increased the limit on the size of public gatherings and public transport capacity. Schools, borders, and airports remain open. This is resulting in continued improvement in economic activity and, in turn, increased income-earning opportunities for low-income urban households. Meanwhile, in April, the government ran a successful vaccination campaign that reached 276,000 of an intended 360,000 people by April 29, starting with essential personnel and vulnerable groups. In May 2021, the government announced that Malawi would be receiving one million more doses of the AstraZeneca vaccine.

Figure 2. Number of COVID-19 cases confirmed per day in Malawi, April 2, 2020 to April 29, 2021



Source: MoPH

Despite reductions in staple maize prices, inflation as measured by the Consumer Price Index (CPI) has continued to rise in recent months. According to the National Statistics Office, the annual food inflation rate rose from 9.7 percent in January 2021 to 11.7 percent in March, while annual non-food inflation rose from 5.6 percent to 6.9 percent. In March, the annual food inflation rate was lower than at the same time last year and the five-year average, while the annual non-food inflation rate was higher than last year but lower than the five-year average. In the coming months, above-average food production in the currently ongoing harvests is expected to contribute to reduced food inflation (which is largely driven by maize prices).

Most rural households began accessing food from the green harvests in March and the main harvests in April. This has increased food access for rural households, most of whom also realized above-average production in the previous year. In northern parts of the country where main harvests have not started, most households are likely still consuming some food from own-production in the last season, from market purchases at below-average prices, and from the green harvest. Additionally, rural households are accessing income from agricultural labor and have started to access some income from early crop sales. With access to food from own-production and below-average food prices supporting food access, most households continue registering Minimal (IPC Phase 1) acute food security outcomes. However, some southern districts that experienced production shortfalls in the previous season are expected to be facing Stressed (IPC Phase 2) outcomes.

In the cities of Blantyre, Zomba, Lilongwe, and Mzuzu, low-income households that were impacted by COVID-19 have been receiving humanitarian food assistance distributions in the form of cash transfers from February to April 2021. This assistance supported Stressed! (IPC Phase 2!) outcomes in much of April. Given continued improvement in economic activity, many households are likely currently transitioning to Stressed (IPC Phase 2) outcomes, though some very poor household will likely remain in Crisis (IPC Phase 3) at the conclusion of the assistance program due to chronic poverty.

UPDATED ASSUMPTIONS

The assumptions used to develop FEWS NET's most likely scenario for the period of [February to September 2021](#) remain unchanged, except for the following:

- Production of tobacco and cotton—Malawi's main cash crops—will likely be lower than last season and below the five-year average. According to TC production estimates, Malawi will likely produce 122 million metric tons of tobacco against an estimated buyer demand of 132 million metric tons. Estimated tobacco production is 15 percent below last year and 25 percent below the five-year average. According to media reports quoting the MoAFS in March, production of cotton is expected to be around 70 percent below average due to ongoing challenges around access to inputs and marketing.

PROJECTED OUTLOOK THROUGH SEPTEMBER 2021

April to June is the main harvesting period across the country. During this period, most rural households will access food from their own production and will increasingly access income from crop sales. In May and June, household access to income is expected to improve in most areas during the peak crop marketing period. This improved income-earning for middle-income and better-off households will enable them to offer agricultural and non-agricultural labor opportunities to poorer households. Overall, improved access to food and income will support transition to Minimal (IPC Phase 1) food security outcomes in May in southern and central areas currently facing Stressed (IPC Phase 2) outcomes.

Following a second above-average production season in 2020/21, most rural households will likely continue to access adequate food and income throughout the remainder of the projection period, with Minimal (IPC Phase 1) food security outcomes expected to persist. However, households in some areas in southern Malawi and Kasungu in central Malawi, many of whom typically harvest lower amounts and were likely impacted by localized dry spells, are expected to exhaust stocks in the August to September period. These households will become reliant on market purchases and are unlikely to earn sufficient income to meet all food and essential non-food needs. In Nsanje and Chikwawa districts which were worst affected by dry spells, Stressed (IPC Phase 2) food security outcomes are anticipated at the area level around August/September 2021, with populations in middle upland parts of the districts worst affected.

In urban areas, continued economic recovery supported by the typical increase in economic activity in the post-harvest period is expected to continue improving access to income for many households impacted by COVID-19, with transition to area-level Minimal (IPC Phase 1) outcomes expected around July.