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FOOD SECURITY MONITORING REPORT

March 2021

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Highlights



In March 2021, the country recorded a total of 864 new cases compared to 2,723 in February and 19,646 in January 2021. A total of 60 deaths were reported in March compared to 241 in February and 833 in January 2021.



The number of confirmed cumulative cases increased by 2% from 35,994 cases including 1,458 deaths by 28 February to 36,858 cases including 1,521 deaths by 31 March 2021. This figure further increased to 36,984 including 1,531 deaths by 08 April 2021.



The country received additional vaccines through purchases and donations from China, Russia and India, intensifying the ongoing inoculation programme. By 11 April 2021, about 194,594 people had received the first dose of the vaccine and 28,989 had received the second dose.



Annual inflation continued a downward trend for the eighth consecutive month, with annual inflation pegged at 241%, while food inflation estimates are yet to be shared. The Consumer Price Index increased by 2.26% in March compared to February 2021.



The findings of the 2021 National First Round Crop and Livestock Assessment showed that the total area planted increased by 23% from 2.8 million hectares in the 2019/20 season to 3.5 million hectares in the 2020/21 season.



The national beef herd was reported to have increased by 0.64% from 5.4 million in 2019 to 5.6 million in 2020. An increase in production of about 2.7% was reported for both goats and sheep



Supply of maize grain in formal markets slightly improved although it remains critical, estimated to be available in 5% of monitored markets up from from 3% in February. Similarly maize meal availability increased to an average of 77% monitored markets from 69% reported in February.



Prices of basic food commodities in bond notes increased by an average of 3% when compared to February 2021, i.e. maize grain (4%), maize meal (4%), sugar beans (2%) and vegetable oil (5%).



In USD terms, prices marginally increased by an average of 2%, with highest price increases reported for maize grain (5%) and vegetable oil (3%) while that of maize meal and sugar beans remained stable.

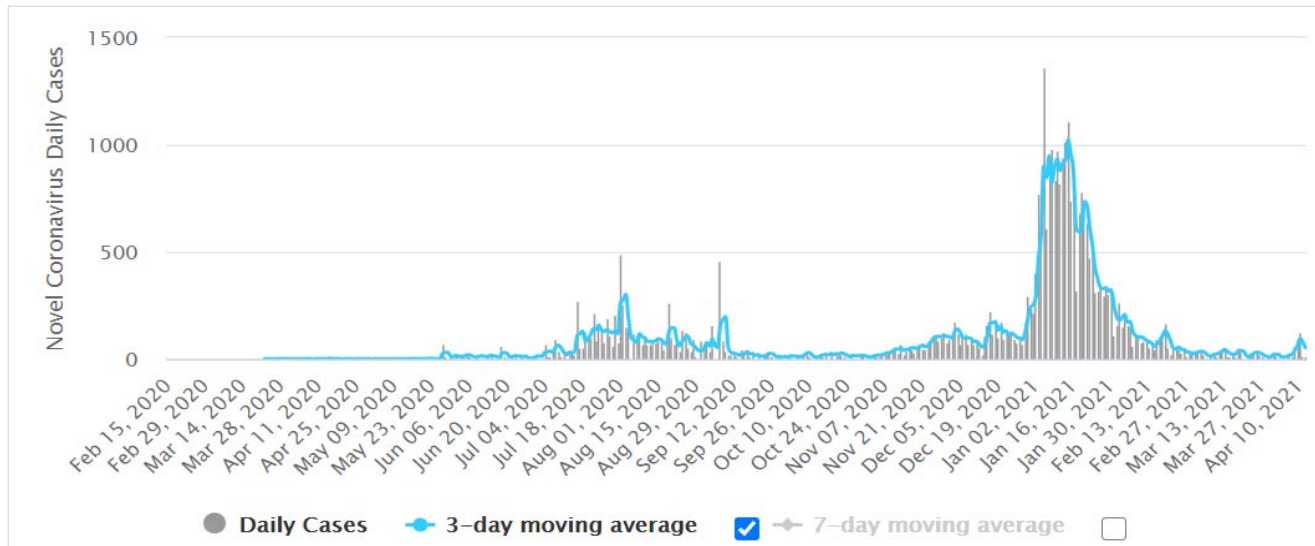
1. Update on the COVID-19 Situation

The COVID-19 situation in Zimbabwe continued to improve with a total of 864 new cases being reported in March compared to 2,723 in February and 19,646 in January 2021. A total of 60 deaths were reported in March compared to 241 in February and 833 in January 2021. The average daily confirmed cases were recorded at 30 per day compared to 70 in February 2021 (**Figure 1**). The number of confirmed cumulative cases increased by 2% from 35,994 cases including 1,458 deaths by 28 February, to 37,288 cases including 1,538 deaths by 31 March 2021. The number of confirmed cumulative cases further increased to 36,984 including 1,531 deaths by 12 April 2021 (<https://covid19.who.int/>). Globally, the number of daily new COVID-19 cases continued to rise, increasing from 116 million cases at the start of March 2021 to 132 million currently, which is a 13.7% increase.

Some countries reported a third wave of the COVID 19 pandemic and these include countries from the Asia-Pacific region and Europe. In Africa, 12 countries have reported a third wave including Kenya, Ethiopia, Cameroon and Guinea. Zimbabwe is also on high alert on the possibility of a third wave given the general relaxation by the public from adhering to WHO guidelines intended to minimize the spread of the disease.

The country received additional vaccines through purchases and donations from China, Russia and India leading to intensification of ongoing inoculation programme. By 11 April 2021 about 194,594 people had received the first dose of the vaccine and 28,989 the second dose (Ministry of Health and Child Care). The easing of the restrictive measures in February has led to improved household food security, although recovery requires a longer period.

Figure 1: Confirmed daily new cases and 7 day moving average for Zimbabwe (15 Feb 2020 to 12 April 2021)



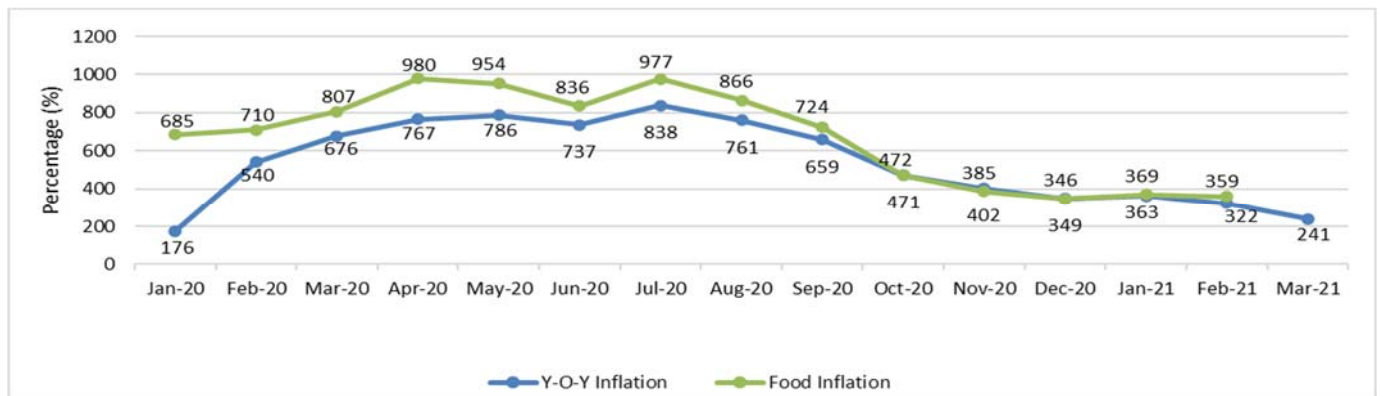
Source: WHO

2. Macro-Economic Situation Update

The downward trend in annual inflation continued into the eighth consecutive month since July 2020. During the month of March, annual inflation pegged at 241% while food inflation estimates are yet to be shared (**Figure 2**). The Consumer Price Index increased 2.26% in March compared to February 2021 (<https://dataviz.vam.wfp.org/Hunger-Analytics-Hub>). The downward trend in annual inflation is largely attributed to the stabilization of the foreign currency exchange rate among other measures put in place by the government.

Despite the steady decrease, inflation remains high and continues to exert pressure on poor and vulnerable households as they find it difficult to adjust to the ZWL price volatility with backdrop of limited disposable income.

Figure 2: Zimbabwe Inflation Trends (2020 – 2021)



Source: RBZ, 2021

The official exchange rate continued to stabilize throughout the reporting period with an exchange rate of ZWL83.89:1USD being recorded at the start of the month to ZWL84.4:1USD by 31 March (**Figure 3**). The parallel market rate, which is higher than the official rate, was also relatively stable at ZWL113:1USD being recorded at the start of the month to ZWL115:1USD by 31 March 2021 (zimrates.com).

Figure 3: RBZ Exchange Rates (1USD: ZWL)



Source: RBZ, 2021

3. Food and Nutrition Security Situation

The findings of the 2021 First Round Crop and Livestock Assessment showed that the area planted to maize increased by 24% from 1.5 million hectares in 2019/20 season to 1.9 million hectares in the 2020/21 season. The total area planted for all crops increased by 23% from 2.8 million hectares in the 2019/20 season to 3.5 million hectares in the 2020/21 season. Besides maize, other crops that recorded the highest increase in the area planted include cotton (40%), soya beans (33%) and tobacco (7%). Crop condition was generally fair to good, except for the early planted crops that had poor crop establishment and stand.

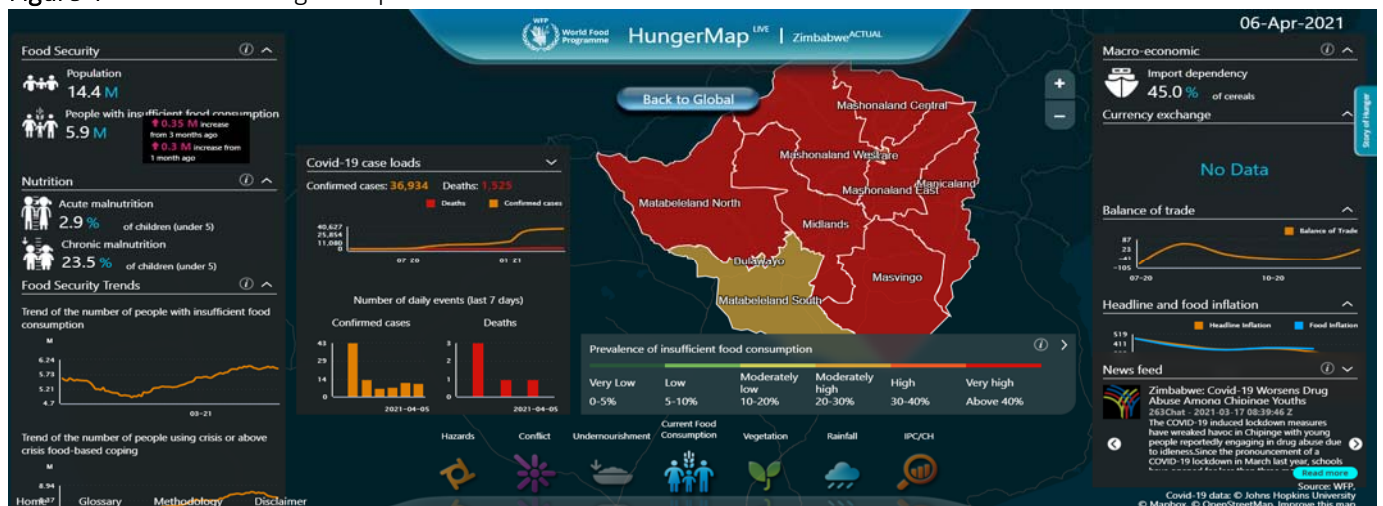
The Second Round Crop and Livestock Report is expected to be released by end of April, which will provide production estimates. Additional reports from field observations are showing a potential reduction in the 2020/21 harvest than was earlier anticipated mainly in districts from the southern parts of the country (Mwenezi, Chiredzi and Beitbridge) due to the outbreak of locusts.

The national beef herd was reported to have increased by 0.64% from 5.4 million in 2019 to 5.6 million in 2020. An increase in production of about 2.7% was reported for both goats and sheep. Cattle mortality rate was reported to have declined from 12% in 2019 to 4% in 2020. Livestock condition was reported to be ranging from fair to good during the assessment period, and is likely to continue improving as a result of the good condition and quality of the grazing pasture.

Casual labour opportunities were reported to be limited, mainly concentrated in harvesting. In rural Zimbabwe, casual labour remains the main source of income for vulnerable households. In urban areas, households re-engaged in their usual livelihood activities following the relaxation of the lockdown restrictive measures. However, many households continue experiencing financial constraints and are unable to operate at their usual level before the outbreak of COVID-19 in the country.

WFP collects household food security information through its remote-based monitoring system, HungerMap LIVE. Data is collected from randomly selected respondents through a remote mobile-based survey across rural and urban areas and is representative at Province (Admin 1) level; findings are summarized in a near real-time map and weekly snapshots (<https://hungermap.wfp.org/>). According to this data source, the number of people experiencing insufficient food consumption was estimated at 5.9 million during the last week of March, indicating an increase of 300,000 people over the previous month (figure 4). The number of people resorting to crisis or emergency coping strategies was estimated at 2.69 million during the last week of March. The situation is likely to improve with the start of harvest.

Figure 4: Zimbabwe Hunger Map



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

4. Market Performance Update

This section provides a summary of food commodity availability and prices for both rural and urban markets covering maize grain, maize meal, sugar beans and vegetable oil, as well as national price trends over time. For a more detailed analysis of rural and urban markets separately please refer to the Monthly Market Monitoring Report for March 2021.

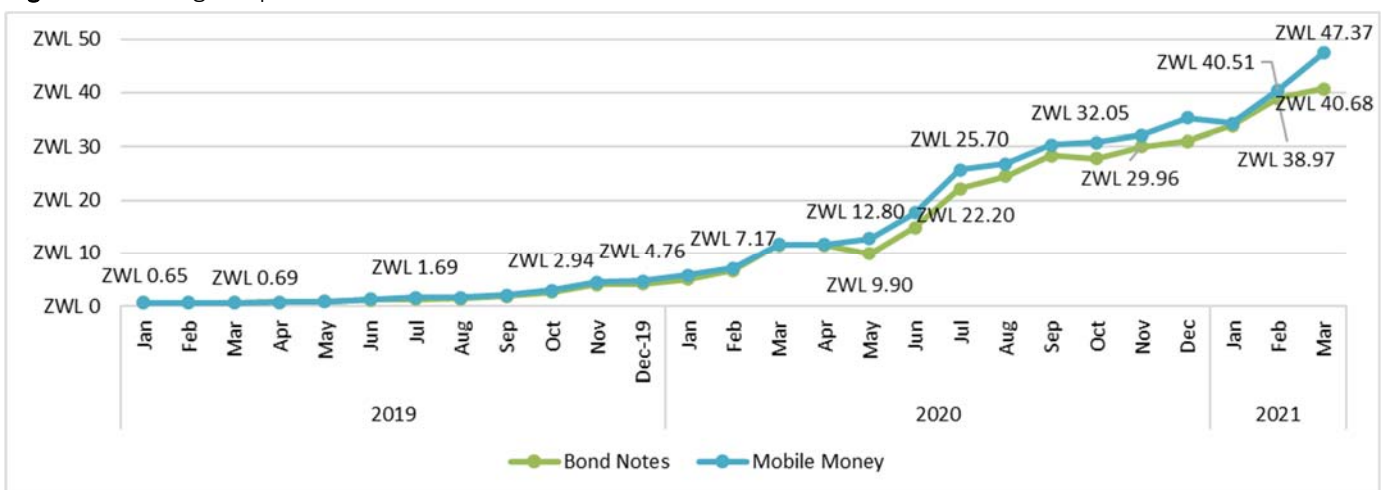
Availability of maize grain improved slightly from 3% reported in February to 5% in March 2021. The availability of the commodity is likely to improve with the coming in of the harvest as from April onwards. Other WFP food basket commodities were generally available with 77% of all monitored markets reporting availability of maize meal, 69% sugar beans, and 91% vegetable oil. In ZWL terms, prices of the commodities under review increased by an average of 4%, hence were relatively stable. Prices in USD increased by an average of 2% compared to February 2021, with highest price increases reported for maize grain (5%) and vegetable oil (4%), while that of maize meal and sugar beans remained stable. On average, mobile money payments attracted a premium of 7% higher than the bond notes prices, an increase from 4% reported in February 2021.

Maize grain availability and price in ZWL terms

Maize grain availability on the formal market is likely to improve given the coming in of the harvest as from April onwards. In March, supply of the commodity remained critical, estimated to be available in 5% of monitored markets, which is below typical and compared to last year in March 2020 (7%) and in March 2019 (47%). Out of the 21 rural districts monitored over the month of March, only 9 reported availability in at least one of the markets, a slight improvement from 6 reported last month, and 8 out of 23 urban domains monitored reported availability in at least one of the markets.

The price for the commodity increased by 4% from ZWL38.97/kg in February to ZWL40.68/kg in March 2021 (Figure 7). When compared to the same time last year, the price increased by 251% from an average of ZWL11.60/kg mainly as a result of inflation. Mobile money payments at an average of ZWL47.37/kg attracted an average premium of 16% compared to bond notes payments.

Figure 7: Maize grain price trends 2019—2021

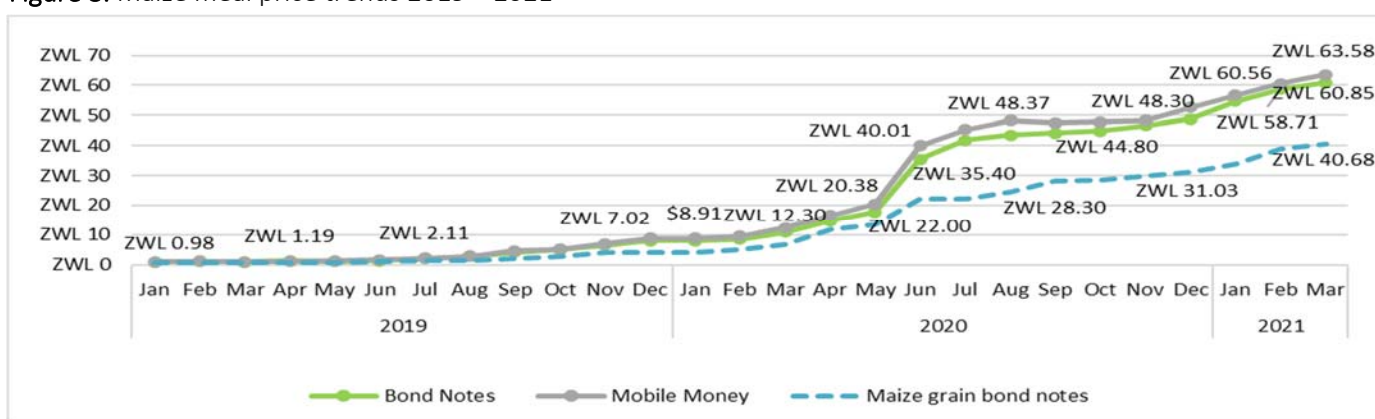


Source: Harmonized Markets Monitoring

Unrefined maize meal availability and prices in ZWL terms

Unrefined maize meal, was available in an average of 77% of the markets, an increase from what was reported in February (71%) and in January (69%). At the same time last year and the year before, the commodity was only available in 59% of the markets in March 2020 and 60% in March 2019 respectively. Availability in urban markets was higher at 82% compared to 70% of the rural markets. The commodity was selling at an average price of ZWL60.85/kg for bond notes an increase of 4% compared to ZWL58.71/kg reported in February. When compared to maize grain, the commodity cost on average 50% higher, hence the reason why vulnerable households prefer maize grain. The price of the commodity increased by 460% compared to March 2020, when the average price was ZWL10.87/kg and the increase are in line with the food inflation trends (**Figure 8**). Mobile money payments at an average of ZWL63.58/kg attracted a premium of 4% higher than bond notes. With the high chances of increased availability of maize grain on the market post harvest, the demand for maize meal might decrease, leading to low availability and stability in its prices.

Figure 8: Maize meal price trends 2019—2021

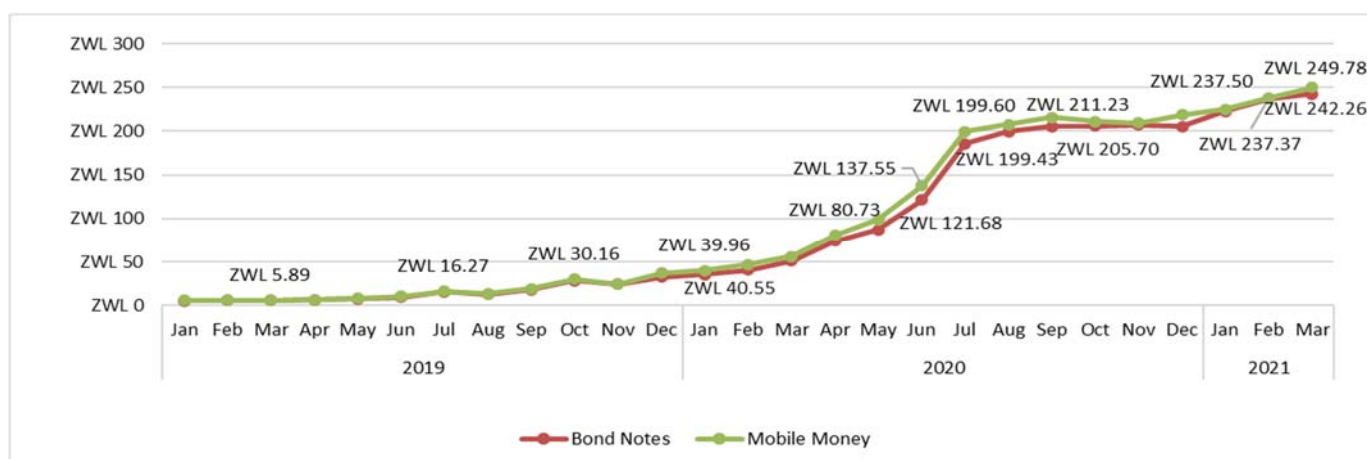


Source: Harmonized Markets Monitoring

Sugar beans availability and prices in ZWL terms

Sugar beans supply continued to be stable since December 2020, estimated to be available in 67% of the surveyed markets. The price of the commodity increased by 2% from an average of ZWL237.37/kg in March to an average of ZWL242.26/kg reported in February (**Figure 9**). When compared to a year ago in March 2020, the price for the commodity increased by almost **375%** from an average of ZWL50.96/kg and by more than 4000% when compared to two years ago i.e. March 2019 with an average price of ZWL5.91/kg. Mobile money payments attracted a premium of about 3% higher than bonds, at an average ZWL249.78/kg.

Figure 9: Sugar beans price trends 2019—2021

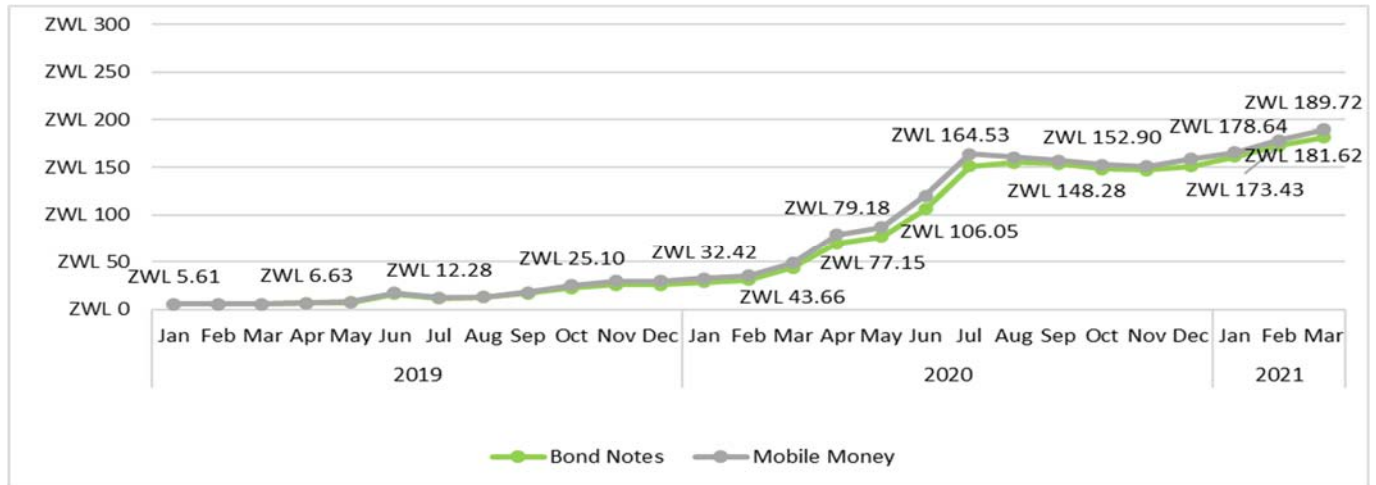


Source: Harmonized Markets Monitoring

Vegetable oil availability and prices in ZWL terms

Vegetable oil continued to be available in almost all the markets monitored, estimated at an average of 91% of the surveyed markets. The commodity was selling at an average price of ZWL181.62/L for bond notes, an increase of 5% compared to ZWL173.43/L in February 2021. The price of the commodity increased by 316% when compared to March 2020 with an average price of ZWL43.66/kg and by more than 3000% when compared to March 2019. Mobile money payments were priced 4% higher than the bond notes price, at an average price of ZWL189.72/L (**Figure 10**).

Figure 10: Vegetable oil price trends 2019—2021

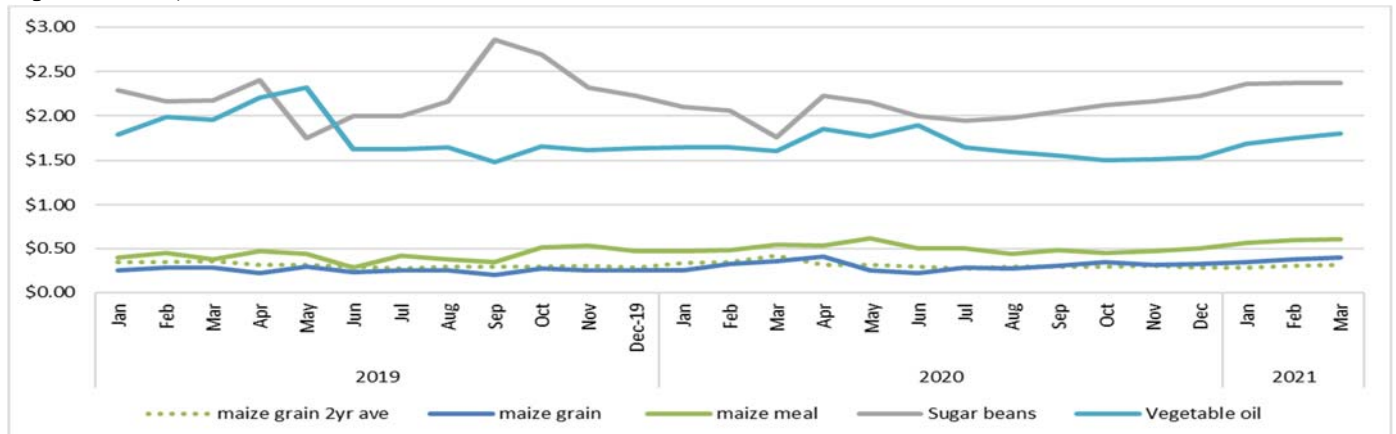


Source: Harmonized Markets Monitoring

Food Commodity Prices in Foreign Currency

The prices of the monitored food commodities in USD increased by an average of 2% when compared to February 2021. Current average maize grain price of \$0.40/kg is 5% higher than \$0.38/kg reported in February. The current price is 25% higher than the 2yr average of \$0.32/kg (**Figure 11**). Unrefined maize meal sold at an average price of \$0.60/kg, a price which is stable when compared to \$0.59/kg reported in February and is 28% higher than the 2yr average of \$0.47/kg. Maize meal price is about 50% higher than that of maize grain. Sugar beans sold at an average USD price of \$2.37/kg, a price which has been stable since January and 12% higher than the 2yr average \$2.11/kg. Vegetable oil was selling at an average price of \$1.80/L, a price 3% higher than \$1.75/L reported in February 2021 and stable when compared to the 2yr average of \$1.82/L.

Figure 11: USD price trends for the food basket commodities 2019—2021



Source: Harmonized Markets Monitoring

5. Recommendations

Key recommendations emanating from the analysis above include;

- ◆ Continue monitoring the food and nutrition security as the marketing year progresses given the expected increased levels of production due to rains received in 2020/2021 production season;
- ◆ Closely monitor the situation in districts within the southern parts of the country (Mwenezi, Chiredzi and Beitbridge) that have been affected by locust outbreaks, to see whether and to what extent production is affected and what lingering impact this would have on household food insecurity.
- ◆ Continue monitoring food security conditions using the HungerMap LIVE monitoring platform, particularly in urban areas where food insecurity has deteriorated over the past year.
- ◆ The availability of maize grain continues to be poor, therefore there is need to:
 - monitor maize grain imports
 - continue assessing feasibility and best modality of assistance by geographical level
 - conduct a comprehensive study to understand the market linkages with source markets

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