



# Informal Cross Border Food Trade in Southern Africa



Monthly Highlights:

- Cumulative volume of maize trade remained at similar levels as last year, but trade in rice more than doubled, while bean trade dropped 7 percent .
- Available data suggests significant increases in formal maize trade among monitored countries this season. Malawi and Zambia are the major exporters while Zimbabwe and the DRC are the main recipients.
- Nominal prices for all the three commodities (maize, rice and beans) continue to increase consistent with dwindling supplies at this time of the marketing season.

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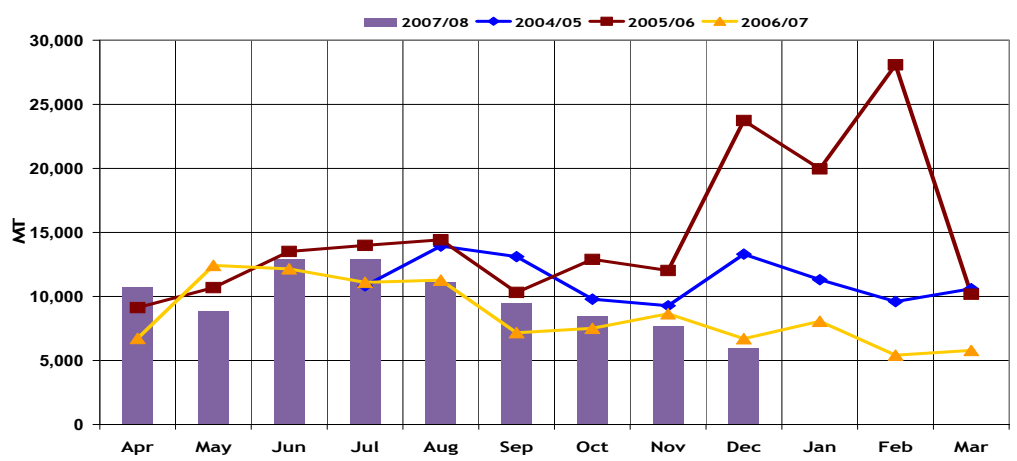
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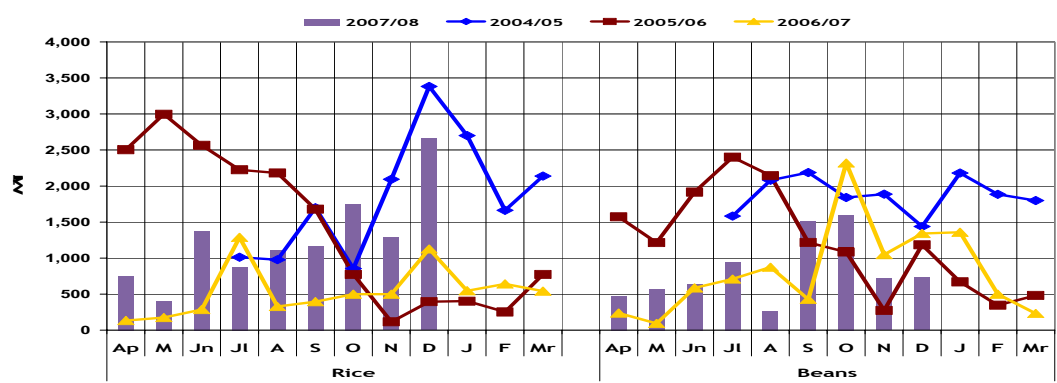
## Overall summary of trade flows

Figure 1: Recorded Informal Cross Border Maize Trade in DRC, Malawi, Mozambique, South Africa, Tanzania, Zambia & Zimbabwe



A total of 104,254 MT of maize rice and beans were traded from April to December 2007. Maize, which is the main staple, accounted for about 82 percent of total trade while rice and beans accounted for 11 percent and 7 percent, respectively. This total is about 7 percent higher than the 97,206 MT of maize, rice and beans traded during the same period last season. However, the volume of maize traded shows a declining trend as shown in figure 1. This is a sign of tightening supplies as on-farm stocks become depleted through household consumption and sales. It should be noted that the current year's trend in maize trade is similar to last season's, but rice and beans (depicted in figure 2) do not show a clear trend in the monthly volumes traded. However, the volumes of rice traded have consistently peaked in December in three of the four year's monitored, probably due to increased consumption over the holiday season.

Figure 2: Recorded Informal Cross Border Food Trade in Rice & Beans in DRC, Malawi, Mozambique, South Africa, Tanzania, Zambia & Zimbabwe



A Technical Steering Committee (TSC) of the Cross Border Food Trade Monitoring Initiative, with funding from USAID and WFP, has prepared this report based on data collected by a network of border monitors based at selected border points. Borders throughout the region have been surveyed and the most active and important borders have been selected for monitoring. The border monitors record data on a daily basis, and transmit it to a central location every week for collation and analysis. Currently, the informal cross border trade monitoring system includes 29 borders, with new borders being added as necessary. Data from borders surrounding Malawi are collected and managed by FEWS NET and WFP Malawi, while the rest of the borders are managed by the TSC. Address comments/suggestions to the following e-mail addresses: [pmdladla@few.net](mailto:pmdladla@few.net), [echapasuka@few.net](mailto:echapasuka@few.net); [eric.kenefick@wfp.org](mailto:eric.kenefick@wfp.org); [andrzej.qolebiowski@wfp.org](mailto:andrzej.qolebiowski@wfp.org); OR [simon.dradri@wfp.org](mailto:simon.dradri@wfp.org)

## Summary of maize trade flows

Table 1: Informal Cross Border Maize Exports By Country

Source	Destination	Total 04/05 Season	Total 05/06 Season	Total 06/07 Season	Dec 06	Dec 07	Cumulative Apr-Dec 06/07	Cumulative Apr-Dec 07/08
Malawi	Mozambique	0	133	591	3	1,731	17	1,871
Malawi	Tanzania	637	944	2,928	4	102	2,864	461
Malawi	Zambia	34	81	202	4	118	156	1,637
Mozambique	Malawi	71,229	71,218	77,394	3,756	1,128	70,274	46,890
Mozambique	Zambia	0	49	1,269	126	63	927	2,048
Mozambique	Zimbabwe	2	5	2,085	4	0	10	5
South Africa	Zimbabwe	0	1,688	49	9	11	40	36
Tanzania	Malawi	2,656	84,862	1,888	162	0	183	18
Tanzania	Zambia	3,699	13,556	6,260	1,330	159	3,701	4,642
Zambia	DRC	8,318	4,682	9,481	1,177	2,645	5,137	26,899
Zambia	Malawi	2,157	419	378	20	0	352	354
Zambia	Mozambique	0	55	2	0	0	2	0
Zambia	Tanzania	93	0	7	0	0	0	4
Zambia	Zimbabwe	13,106	182	299	0	0	4	433
Zimbabwe	Mozambique	0	85	294	108	16	205	105
<b>Total Traded (MT)</b>		<b>101,929</b>	<b>177,959</b>	<b>103,127</b>	<b>6,703</b>	<b>5,973</b>	<b>83,872</b>	<b>85,403</b>

The volume of maize traded dropped from 7,701 MT in November to 5,973 MT in December 2007, representing a fall of 22 percent. The drop appears to follow the downward trend in volumes traded that started in August. But the cumulative amount of maize traded from April to December 2007 was about 85,403 MT, marginally higher than the 83,872 MT traded during the same period last season.

**EXPORTS:** Mozambique remains the main exporter of maize, accounting for about 57 percent of the total, followed by Zambia at 32 percent. Exports from the remaining countries were very minimal. However, Mozambique's share of total exports in fact dropped considerably compared to 85 percent share last season. The drop of maize exported by Mozambique was also in absolute terms, from 71,211 MT to 48,943 MT, representing a drop of 31 percent. This decrease is attributed to food deficits experienced in some parts Mozambique and a reduced demand from its primary importer, Malawi. Malawi has experienced two successive bumper harvests that have resulted in an overall drop in maize import demand.

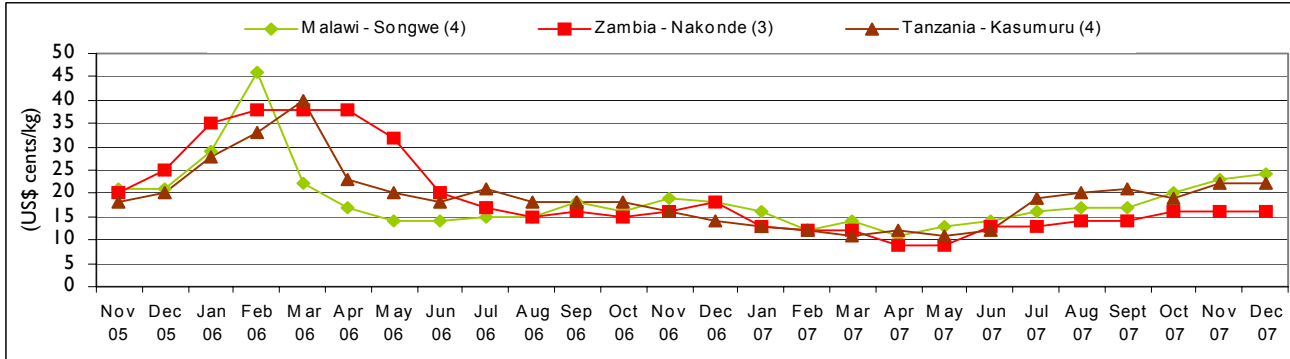
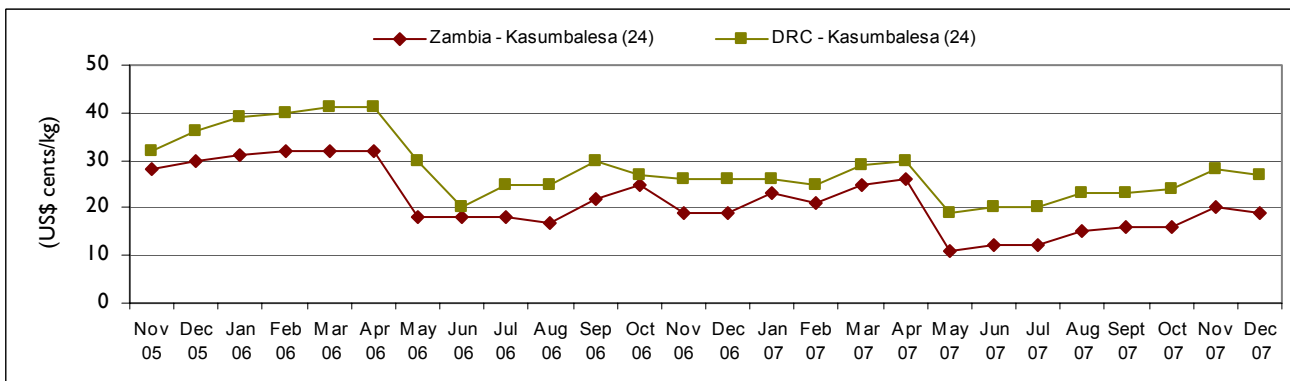
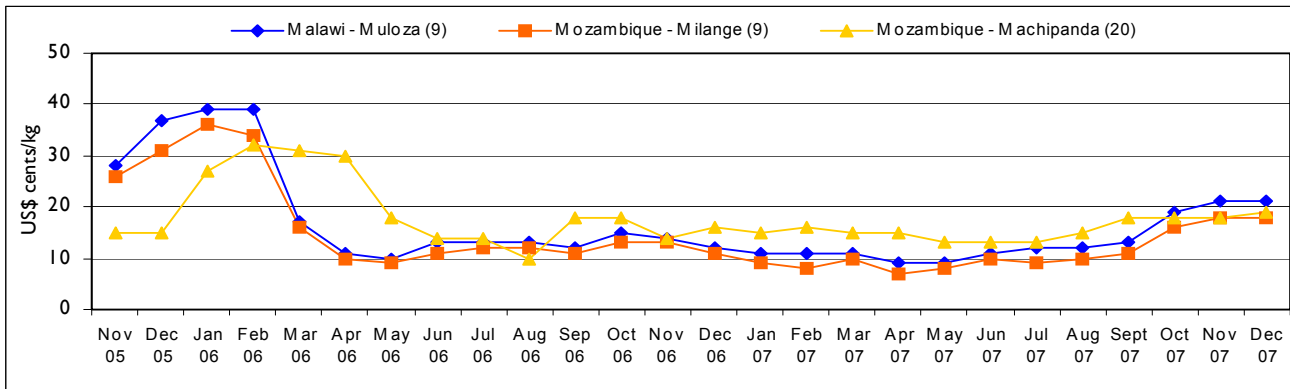
Zambia, Malawi and Tanzania registered increases in maize exports, while Zimbabwe and South Africa experienced a decline. Zambia had the biggest increase from 5,495 MT during April to December last season to 27,690 MT this season, representing a five-fold (or 404 percent) increase. This was followed by Malawi at 31 percent and Tanzania at 20 percent. This increase in exports is attributed to the good harvest Zambia had during the last growing season and the relaxation of maize export controls. Most of Zambia's exports (about 90 percent) were destined for the DRC.

**IMPORTS:** On the import side, Malawi still maintains the largest share of overall recorded informal maize imports with a 55 percent share during April to December 2007. This is followed by the DRC at 31 percent, and Zambia (10 percent), with imports by other countries being minimal. However, Malawi's share of informal maize imports dropped significantly from a high of 84 percent last season. In real terms, Malawi's imports also dropped by 33 percent, from 70,809 MT in April to December 2006 to 47,262 MT during the same period in 2007. The decline is largely attributed to good production in Malawi and the consequent lower demand.

## Formal Maize Exports

In addition to the informal maize exports, Malawi and Zambia have been officially exporting maize to Zimbabwe, South Africa and other countries in the region. Malawi, through the National Food Reserve Agency, officially exported 286,589 MT to Zimbabwe by the end of December 2007. The World Food Programme also exported some 32,363 MT of Malawian maize, bringing the total official exports from Malawi to Zimbabwe to 321,406 MT. Meanwhile Zambia, through its Food Reserve Agency also exported a total of 186,528 MT to SADC countries, which included 105,300 MT to Zimbabwe, 46,821 MT to South Africa and 25,477 MT to the DRC. Thus, although Zimbabwe's share of informal maize imports remains small, the country has secured a large proportion of its maize requirements through official trade from both Malawi and Zambia as noted above.

Figures 3a, 3b and 3c: Retail maize prices in selected border points (US\$ cents per kg)



**Maize Price Trends at Selected Border Points**

Average maize prices at most of the border points increased marginally from November to December. Maize prices remained highest on the DRC side of the Kasumbalesa border with Zambia where maize was trading at an equivalent of US\$0.27/kg. But maize prices were considerably lower at other border points, in the range of US\$0.16/kg on the Zambia side of Nakonde border with Tanzania and US\$0.25/kg in Songwe on the Malawian side of the border with Tanzania. Overall, the price trends so far appear to be normal for this time of the year and similar to the trends exhibited last season.

**Informal rice trade**

Table 2 shows rice trade among monitored countries. The volume of rice traded more than doubled from 1,285 MT in November to 2,662 MT in December 2007. The trade in rice is shown to peak in December over the past three years, which seem to suggest an increase in the demand associated with the Christmas holiday season. During the current season, the cumulative volume of rice traded from April to December is 11,387 MT, which is more than double the 5,273 MT traded during the same period last season. Zambia accounted for about 54 percent of all the rice exports, followed by Malawi at 30 percent, Mozambique at 14 percent and Tanzania at 3 percent. Zambia and Malawi are the only countries that have so far exported more rice than during the last season. On the other hand, Mozambique that had the largest share of exports during the last season (at 41 percent) has registered a drop to 13 percent this season. This is probably due to the fact that some parts of Mozambique experienced a drop in crop production during the last growing season. Most of the rice exported was destined for Zimbabwe (35 percent) and the DRC (30 percent). But the most significant changes in the shares of imports were in Malawi, where its share dropped from 31 percent last season to just 6 percent this season; and in Zimbabwe where its share increased from 16 percent to 35 percent.

Table 2. Informal cross border trade in rice (MT)

Source	Destination	Total 04/05 Season	Total 05/06 Season	Total 06/07 Season	Dec 06	Dec 07	Cumulative Apr-Dec 06/07	Cumulative Apr-Dec 07/08
Malawi	Mozambique	1	12	1	0	7	0	685
Malawi	Tanzania	450	135	1,217	64	321	902	1,585
Malawi	Zambia	1	31	74	0	0	14	715
Malawi	Zimbabwe					210		405
Mozambique	Malawi	2532	1,691	1,718	84	30	1652	734
Mozambique	Zimbabwe	58	399	850	104	101	518	786
South Africa	Zimbabwe	0	64	82	64	4	76	24
Tanzania	Malawi	70	912	4	0	0	4	3
Tanzania	Zambia	547	641	557	58	21	433	320
Zambia	DRC	12644	12,629	1,697	703	1712	1402	3397
Zambia	Malawi	0	0	0	0	0	0	0
Zambia	Zimbabwe	50	106	803	50	254	272	2731
<b>Total Traded (MT)</b>		<b>16,355</b>	<b>16,620</b>	<b>7,003</b>	<b>1,127</b>	<b>2,662</b>	<b>5,273</b>	<b>11,387</b>

### Informal beans trade

Table 3 shows details of bean trade, where the total volume trade in December (730 MT) was marginally higher than in November (719 MT). The cumulative amount of beans traded between April and December 2007 stood at 7,464 MT, representing a 7 percent drop from the 8,061 MT traded during the same time last season. Tanzania had the largest share of exports at 37 percent, followed by Zambia (31 percent), Mozambique (24 percent and Malawi (8 percent). Judging from these figures, it appears the demand for beans in Malawi is high, making it the leading importer of the commodity with a share of 51 percent of total imports. This is followed by the DRC (29 percent), and Zambia (13 percent). Mozambique (4 percent), and Tanzania and Zimbabwe (with 2 percent each) have so far received the least imports.

Table 3. Informal cross border trade in beans (MT)

Source	Destination	Total 04/05 Season	Total 05/06 Season	Total 06/07 Season	Dec 06	Dec 07	Cumulative Apr-Dec 06/07	Cumulative Apr-Dec 07/08
Malawi	Mozambique	417	76	269	0	9	17	273
Malawi	Tanzania	2	0	0	0	0	0	120
Malawi	Zambia	30	19	268	9	11	241	212
Mozambique	Malawi	2,997	2,741	2,798	70	147	2,733	1,755
Mozambique	Zimbabwe	67	4	8	2	2	7	10
South Africa	Zimbabwe	0	325	83	64	1	71	10
Tanzania	Malawi	403	2,459	3,646	1048	387	2,281	2,029
Tanzania	Zambia	509	472	588	38	42	355	754
Zambia	DRC	12,019	8,231	2,422	106	118	2,298	2,160
Zambia	Tanzania	0	0	2	0	0	2	0
Zambia	Zimbabwe	372	16	69	4	13	56	141
<b>Total Traded (MT)</b>		<b>16,816</b>	<b>14,343</b>	<b>10,153</b>	<b>1,341</b>	<b>730</b>	<b>8,061</b>	<b>7,464</b>

## Annex 1: Trade Tables

Table 3: Informal Cross Border trade in Maize (MT)

Source	Destination	Jul-Sep-04	Oct-Dec-04	Jan-Mar-05	2004/05 Season	Apr-Jun-05	Jul-Sep-05	Oct-Dec-05	Jan-Mar-06	2005/06 Season	Apr-Jun-06	Jul-Sep-06	Oct-Dec-06	Jan-Mar-07	2006/07 Season
Tanzania	Zambia	796	1,921	982	3,699	397	7,685	4,201	1,273	13,556	318	751	2,632	2,559	6,260
Zambia	Zimbabwe	2,662	5,628	4,816	13,106	86	13	21	62	182	3	0	1	295	299
Zambia	Malawi	484	913	760	2,157	34	36	349	-	419	58	249	45	26	378
Zambia	Tanzania	71	20	2	93	-	-	-	-	-	-	0	0	7	7
Malawi	Zambia	0	19	15	34	8	5	51	17	81	64	65	27	46	202
Zambia	DRC	256	3,054	5,008	8,318	2,477	1,641	531	33	4,682	992	956	3,189	4,344	9,481
Mozambique	Malawi	33,358	20,433	17,438	71,229	29,064	26,866	8,981	6,307	71,218	27,479	27,069	15,726	7,120	77,394
Malawi	Tanzania	315	226	96	637	103	174	358	309	944	2,358	451	55	64	2,928
Tanzania	Malawi	22	239	2,395	2,656	471	1,211	33,601	49,579	84,862	-	0	183	1,705	1,888
Mozambique	Zimbabwe	-	-	2	2	2	3	-	-	5	4	0	6	2,075	2,085
Mozambique	Zambia	-	-	-	-	5	24	20	-	49	5	111	811	342	1,269
Malawi	Mozambique	-	-	-	-	-	-	-	133	133	-	0	17	574	591
Zambia	Mozambique	-	-	-	-	-	-	-	55	55	2	0	0	0	2
Zimbabwe	Mozambique	-	-	-	-	-	-	-	85	85	15	43	147	89	294
South Africa	Zimbabwe	-	-	-	-	486	921	55	226	1,688	17	8	15	9	49
<b>Total Traded (MT)</b>		<b>37,965</b>	<b>32,452</b>	<b>31,512</b>	<b>101,929</b>	<b>33,133</b>	<b>38,579</b>	<b>48,168</b>	<b>58,079</b>	<b>177,959</b>	<b>31,315</b>	<b>29,703</b>	<b>22854</b>	<b>19,255</b>	<b>103,127</b>

Table 4: Informal Cross Border trade in Rice (MT)

Source	Destination	Jul-Sep-04	Oct-Dec-04	Jan-Mar-05	2004/05 Season	Apr-Jun-05	Jul-Sep-05	Oct-Dec-05	Jan-Mar-06	2005/06 Season	Apr-Jun-06	Jul-Oct-06	Oct-Dec-06	Jan-Mar-07	2006/07 Season
Tanzania	Zambia	360	151	36	547	99	184	172	178	641	100	168	165	124	557
Malawi	Tanzania	367	83	0	450	-	61	0	-	135	56	740	106	315	1,217
Tanzania	Malawi	0	0	70	70	3	4	108	797	912	4	0	0	0	4
Zambia	DRC	2786	4157	5701	12,644	6,164	5,661	690	114	12,629	46	231	1125	295	1,697
Zambia	Malawi	0	0	0	0	-	0	0	-	0	-	0	0	0	0
Malawi	Zambia	0	0	1	1	30	1	0	-	31	-	2	12	60	74
Zambia	Zimbabwe	16	16	18	50	15	16	34	41	106	55	141	76	531	803
Mozambique	Malawi	153	1853	526	2,532	1,456	0	152	83	1,691	222	1,155	275	66	1,718
Malawi	Mozambique	1	0	0	1	4	2	0	6	12	-	0	0	1	1
Mozambique	Zimbabwe	0	0	58	58	188	97	45	69	399	99	166	253	332	850
South Africa	Zimbabwe	0	0	0	0	21	19	9	15	64	6	3	67	6	82
<b>Total Traded (MT)</b>		<b>3683</b>	<b>6260</b>	<b>6412</b>	<b>16,355</b>	<b>8,062</b>	<b>6,045</b>	<b>1,210</b>	<b>1,303</b>	<b>16,620</b>	<b>588</b>	<b>2,606</b>	<b>2079</b>	<b>1,730</b>	<b>7,003</b>

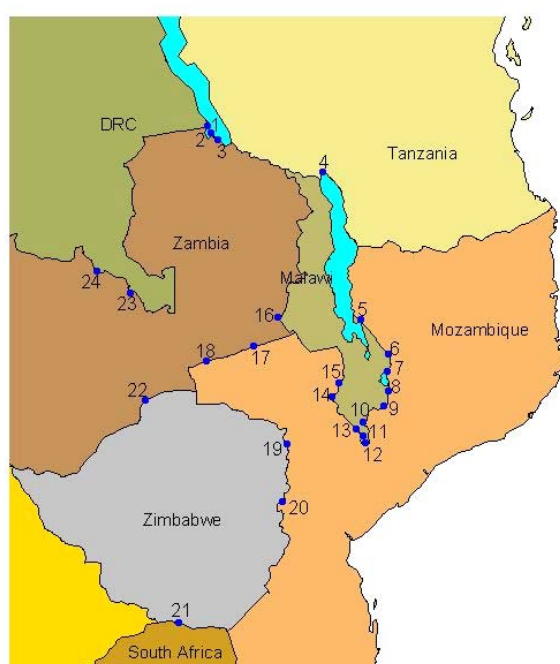
## Annex I (continued)

Table 5: Informal cross border trade in beans (MT)

Source	Destination	Jul-Sep-04	Oct-Dec-04	Jan-Mar-05	2004/05 Season	Apr-Jun 05	Jul-Sep 05	Oct-Dec 05	Jan-Mar 06	2005/06 Season	Apr-Jun 06	Jul-Sep 06	Oct-Dec 06	Jan-Mar 07	2006/07 Season
Tanz	Zambia	262	179	68	509	99	223	87	63	472	128	154	73	233	588
Zambia	Tanz	0	0	0	0	-	0	0	-	0	-	0	2	0	2
Zambia	DRC	3215	3775	5029	12,019	3,593	3,740	843	55	8,231	390	350	1558	124	2,422
Malawi	Moz	391	1	25	417	14	29	5	28	76	15	2	0	252	269
Zambia	Zim	0	364	8	372	1	6	3	6	16	28	20	8	13	69
Moz	Malawi	1852	571	574	2,997	683	1,530	463	65	2,741	613	1,383	737	65	2,798
Malawi	Tanz	2	0	0	2	-	0	0	-	0	-	0	0	0	0
Moz	Zim	0	1	66	67	1	1	2	-	4	1	2	4	1	8
Malawi	Zambia	3	21	6	30	3	7	6	3	19	151	64	26	27	268
Tan	Malawi	67	246	90	403	18	68	1,134	1,239	2,459	-	54	2227	1,365	3,646
RSA	Zim	0	0	0	0	165	152	4	4	325	3	2	66	12	83
<b>Total Traded (MT)</b>		<b>5792</b>	<b>5158</b>	<b>5866</b>	<b>16,816</b>	<b>4,577</b>	<b>5,756</b>	<b>2,547</b>	<b>1,463</b>	<b>14,343</b>	<b>1329</b>	<b>2,031</b>	<b>3,360</b>	<b>2,092</b>	<b>10,153</b>

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FEWSNET Regional Office, Pretoria RSA*

## Cross - Border Monitoring Sites, 2007



## NAME OF BORDER

- |                      |                          |
|----------------------|--------------------------|
| 1. Mulungu / Kigoma  | 13. Marine               |
| 2. Zombe / Kasesya   | 14. Mkumaniza            |
| 3. Nakonde / Tunduma | 15. Mwanza               |
| 4. Songwe / Kasumuru | 16. Mchinji              |
| 5. Kalanje           | 17. Marowela             |
| 6. Nayuchi           | 18. Chadiza              |
| 7. Naminkhakha       | 19. Nyamapanda           |
| 8. Kolowikho         | 20. Machipanda           |
| 9. Muloza            | 21. Messina / Beitbridge |
| 10. Sankhulani       | 22. Chirundu             |
| 11. Tengani          | 23. Mokambo              |
| 12. Marka            | 24. Kasumbalesa          |

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