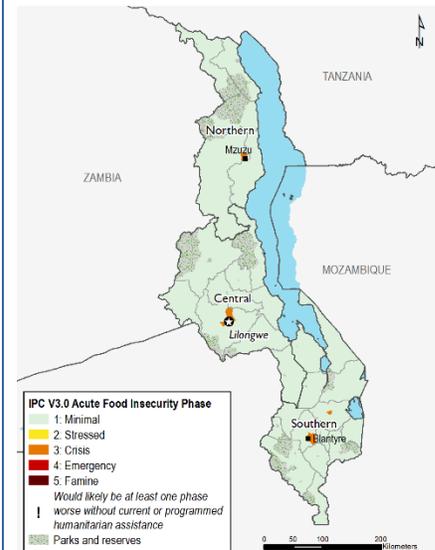


Atypical food insecurity in urban areas expected with COVID-19 lockdown impending

KEY MESSAGES

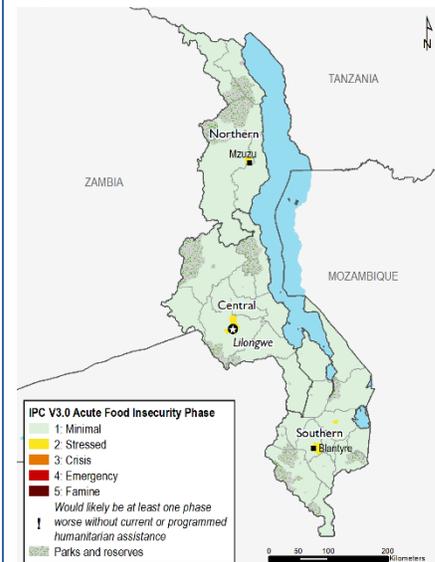
- Most households across the country are now consuming own-produced food, with harvests expected to peak between April and May. Households who were facing Stressed (IPC Phase 2) outcomes during the previous consumption year (ending March 2020) are now transitioning to Minimal (IPC Phase 1) as they access food from own production and income from crop sales. Minimal (IPC Phase 1) outcomes are expected to persist through at least September 2020 across most of the country. However, some households in localized southern areas received poor harvests due to dry spells, while localized areas of the northern Karonga and Rumphi districts experienced crop losses due to flooding and waterlogging. An increasing number of these households are likely to experience Stressed (IPC Phase 2) outcomes as food stocks are depleted between July and September, with area-level Stressed (IPC Phase 2) outcomes expected in Nsanje and Chikwawa by September.
- Overall normal to above-normal seasonal rainfall has led to above-average crop production prospects at the national level. According to the preliminary crop estimates from the Ministry of Agriculture and Food Security, Malawi is expected to produce 3,691,866 metric tons of maize for the 2020/21 consumption year. This is about 25 percent higher than the five-year average and 9 percent higher than the previous year. Production of rice, millet, and pulses is expected to be between 8 to 11 percent above last year.
- Prices for the maize staple decreased significantly between February and March in most monitored markets, though prices remained significantly higher than both the five-year average and last year’s prices. According to data from both the Ministry of Agriculture and Food Security and FEWS NET, maize prices in the southern Balaka and Nsanje markets decreased by 28 and 41 percent respectively between February and March.
- As of 30 April 2020, thirty-six cases of COVID-19 and three deaths have been reported in Malawi. Most cases have been identified in Blantyre and Lilongwe cities. The government is currently working to implement a national lockdown, expected to result in widespread disruption to business and market activity. The poor and very poor in urban areas are likely to be worst affected, with household access to food and income expected to be significantly constrained. It is anticipated that these households will atypically require humanitarian assistance to prevent consumption gaps and Crisis (IPC Phase 3) outcomes. Poor households in most rural areas are expected to access own-produced food from the favorable harvest, but will likely experience reduced access to income from crop sales.

Projected food security outcomes, April to May 2020



Source: FEWS NET

Projected food security outcomes, June to September 2020



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.

CURRENT SITUATION

In March and April 2020, most households started accessing food from the 2020 harvests. As a result, most households who were facing Stressed (IPC Phase 2) outcomes are now transitioning to Minimal (IPC Phase 1) as they access food from own production and income from crop sales. An increasing number of households in districts that were dependent on humanitarian food assistance until March 2020 are also transitioning from Stressed (IPC Phase 2) to Minimal (IPC Phase 1).

Malawi farmers are harvesting their crop for the 2019/2020 agricultural season (Figures 1 & 2), with harvests mostly complete in southern areas. According to first round production estimates by the Ministry of Agriculture and Food Security, Malawi is expected to realize increases in production of most key crops relative to both last year and average levels. It is estimated that Malawi will produce about 3,691,866 metric tons of the maize staple, about 9 percent above last year's estimated production levels and 25 percent above the five-year average. Other key cereals – namely rice and millet – as well as pulses are expected to register increases of 8 to 11 percent above last year's production levels. Increases in alternative food crops such as cassava and sweet potatoes are also expected.

Between February and March, prices of maize grain decreased by between 6 and 52 percent to reach MWK 157 to 338 per kilogram across most monitored markets. Maize prices followed seasonal trends, declining in March due to improved availability from the newly harvested crop. Harvesting typically begins in the south and gradually progresses toward the north, with the largest price decreases in March also seen in southern and central Malawi markets. However, maize grain prices were trending at levels between 8 and 109 percent above their respective 2019 levels and between 15 and 109 percent above five-year average levels in most markets. Despite the country starting to access 2020 harvests, prices for the maize staple have remained atypically high given significantly above-average prices during the recently concluded consumption season.

Informal imports of maize grain increased by 102 percent between February and March 2020. Most of this was imported from Tanzania via the Mbirima border. Throughout the 2019/20 consumption year, the country informally imported a total of about 26,000 MT of maize, about 8 percent below five-year average levels. At the same time, the country informally exported about 8,500 MT of maize, about 27 percent lower than the five-year average. This left the country with a net import of about 18,000 MT.

Households are currently accessing normal levels of income from crop sales during the beginning of the peak harvesting and marketing period. Households are currently selling traditional cash crops such as tobacco, cotton, and legumes, as well as food crops such as maize, groundnuts, rice, sweet potatoes, and cassava, which households consume but also partly sell. The Malawi tobacco selling season was officially opened on 20 April 2020. According to estimates by the Tobacco Commission (TC), about 151,000 MT of tobacco was produced this year. This is a reduction from last year's production of 165,611 MT, and a 10 percent drop from the five-year average. Declining production may eventually affect Malawi's macro-economy as tobacco is the main foreign exchange earner for Malawi.

Due to the threat of COVID-19, the government enacted several preventative measures in late March including school closures, increased screenings at borders, and size restrictions on gatherings. On 2 April 2020, the first three COVID-19

Figure 1. Matured maize and rice crops, Mulanje in southern Malawi, March 2020



Source: FEWS NET

Figure 2. Dried maize crop, Zomba district in southern Malawi, March 2020



Source: FEWS NET

cases were confirmed in Malawi. As of April 30, thirty-six cases and three deaths had been reported. Most cases have been identified in Blantyre and Lilongwe cities. Currently, there are only four operational testing facilities nationwide. On April 14, the government declared that a lockdown would enter into force on April 18, expected to place restrictions on human movement, border entries and exits, and marketing activities. Given the absence of plans to provide assistance to citizens, this sparked riots and violent protests in Blantyre, Mzuzu, Lilongwe, and Zomba cities as well as in some district centers in Mangochi, Luchenza, and Mulanje. On April 17, the High Court issued an injunction against the lockdown due to the lack of plans for assistance and on April 28 the injunction was extended pending further court hearings. Meanwhile, the government has been working to plan and procure funding for assistance to vulnerable households in urban areas. Currently, the government is using police to enforce the ban on gatherings, though markets are still operating. Malawi's borders with neighboring countries are open and trade of essential goods is taking place, though some supply chain disruptions are occurring due to screening measures.

UPDATED ASSUMPTIONS

The assumptions used to develop FEWS NET's most likely scenario in the [February to September 2020 Food Security Outlook Report](#) remain unchanged, except for the following:

- Based on global trends and available information from leading health experts including WHO, the global COVID-19 pandemic is likely to continue in the near to medium term, and an increasing number of cases in Malawi is likely due to both the spread of the virus and increased testing.
- Given the likelihood of additional cases of COVID-19 as well as ongoing government plans to provide humanitarian assistance to citizens, a country-wide lockdown to combat the spread of COVID-19 is expected to enter into force in mid-to-late May, currently expected to last until July 2020. Preventative measures are expected to include restrictions on movement outside of the home, restrictions on border entries and exits, and restrictions on marketing activities including permit requirements for food traders. This is expected to result in widespread disruption to business and marketing activity.
- Tobacco farmers will earn some income as the tobacco auctioning has opened, but this is expected to be below average overall due to reduced production this year. This is expected to negatively impact the ability of middle and better off households to hire very poor and poor households for agricultural and non-agricultural labor.
- As a result of the lockdown, availability of agricultural and non-agricultural labor opportunities will likely be below-average in June and through at least September given movement restrictions and reduced purchasing power among those who hire labor.
- In urban areas, access to income from daily wage-earning opportunities, petty trading, and other normal business activities will likely be significantly reduced through at least September, as these activities will largely be prohibited under the lockdown and given lingering economic impacts even after restrictions are eased.
- Given internal movement restrictions under the lockdown, some supply chain disruptions are anticipated. This will likely lead to some localized and temporarily reduced supply of some commodities which are transported from surplus producing areas to deficit areas. In addition, disruptions to cross-border movements are expected to lead to some temporary shortages in imported foods, especially from South Africa (such as baby foods and milk).
- Under the lockdown, food markets are expected to be permitted to operate. However, movement restrictions are expected to disrupt supply to many markets, as permit requirements for the movement of food traders are expected to be prohibitive for many small farmers in rural areas who normally bring food to sell in urban centers. Disruption of ADMARC markets would impede ongoing crop purchasing, delaying government replenishment of stocks for both ADMARC and the Strategic Grain Reserve (SGR), to be used for future subsidized sales and humanitarian assistance needs respectively.
- As a result of disrupted marketing activity including from movement restrictions as well as reduced purchasing volumes from ADMARC and private companies, access to income from crop sales is expected to be below average through the peak crop sales period of May to August.
- Informal imports of maize from Mozambique to areas of southern Malawi are expected to continue at typical levels between May and August despite the lockdown, given that traders use informal routes without checkpoints.

- As the lockdown nears, some panic-buying particularly in urban areas is likely to result in temporary shortages and price increases of some commodities – particularly imported foods such as cooking oil. Given patterns observed in other countries in the region, these price increases are likely to be temporary, with downward pressure on prices likely after the initial wave of panic-buying due to reduced purchasing power and demand in urban areas. Furthermore, given above-average maize production anticipated this year, COVID-19 related trade disruptions are not expected to meaningfully impact staple maize prices during the scenario period, as most rural households are expected to be consuming own-produced food during this time.
- The government is currently developing plans to provide humanitarian food assistance via cash transfers or in-kind assistance to vulnerable households identified in both urban and rural areas. However, funding for this assistance has not been procured. Plans to provide humanitarian food assistance via cash payments of MWK 35,000 per month to at least 172,000 urban households representing an estimated 35 percent of the urban population have been [announced](#). Based on these plans to provide food assistance and the necessity of providing assistance in order to move forward with enforcing a lockdown, it is expected the distribution of assistance is likely in the near-term. However, given that the duration of these payments and targeting is not yet known, the impact of this assistance on food security outcomes cannot yet be analyzed. Therefore, the projected food security outcomes described are – for the time being – those expected in the absence of assistance.

PROJECTED OUTLOOK THROUGH MAY 2020

As COVID-19 cases continue to increase, the government of Malawi is likely to implement a national lockdown pending the lifting of the current court injunction. Given the anticipated impacts of a national lockdown, households across wealth groups are expected to experience reduced access to income, with the urban poor likely to be worst-affected given sharp reductions in income-earning – including through informal employment such as vending, petty trade, and skilled and unskilled labor – and high dependence on market purchases for food. Many low-income earners with very little or no savings will immediately find themselves with little to no means of accessing income and food from market purchases. Furthermore, physical access to food among very poor and poor households that rely on market purchases may be disrupted by movement restrictions. Urban and peri-urban poor households are concentrated in the four cities of the country: Blantyre, Zomba, Lilongwe, and Mzuzu. FEWS NET estimates that over half a million urban poor would require assistance immediately as a lockdown is enforced. In the absence of assistance, most urban poor households would be expected to rapidly transition to Crisis (IPC Phase 3) with consumption gaps likely. Even after lockdown measures are eased, Stressed (IPC Phase 2) outcomes are likely to persist through at least September 2020, when a sufficient level of normal economic activity is re-established.

In rural areas, most households are expected to increasingly access food from own production and some income from crop sales as the main harvesting period continues through June. This is expected to sustain Minimal (IPC Phase 1) food security outcomes in most areas through at least September 2020. However, due to localized poor harvests resulting from weather shocks in early 2020 – including a dry spell in southern Malawi and some localized flooding in northern Malawi – some households are expected to exhaust food stocks atypically early, with an increasing number expected to face Stressed (IPC Phase 2) outcomes between July and September. In Nsanje and Chikwawa where production was particularly poor, widespread Stressed (IPC Phase 2) outcomes are expected by September. Given reduced access to income from crop sales and labor opportunities under a national lockdown anticipated in mid-to-late May through July, some worst affected rural households may experience Stressed (IPC Phase 2) outcomes while they cannot access income. Furthermore, some reductions in supply of particular commodities – especially foods such as fish and beans that are used for gravies eaten with maize meal – are expected at times and in some areas due to supply chain disruptions and internal movement restrictions. These foods are nutritionally important as they are a primary source of protein. Despite the anticipated easing of lockdown measures in July, many affected households are likely to continue to face Stressed (IPC Phase 2) outcomes as the economy recovers and livelihood activities resume.

Events that Might Change the Outlook

Possible events over the next six months that could change the most-likely scenario:

Area	Event	Impact on food security outcomes
Nationwide	Indefinite suspension of the national lockdown by court ruling	Though some disruptions to trade, food supply chains, and income-earning would still be expected given COVID-19 control measures, reductions to income would be more limited. Though some worst-affected households particularly in urban areas would likely deteriorate to Stressed (IPC Phase 2) or worse, widespread deterioration would not be likely.
Nationwide	Prolonged COVID-19 lockdown, beyond the anticipated timeframe	An increase in the scale and severity of acute food insecurity would be expected in both urban and rural areas, with an increasing number of households in need of assistance and Crisis (IPC Phase 3) outcomes expected to persist in urban areas in the absence of assistance. An increasing number of middle and better-off wealth groups are also likely to be impacted by reductions in income-earning.

ABOUT THIS UPDATE

This report covers current conditions as well as changes to the projected outlook for food insecurity in this country. It updates the FEWS NET's Food Security Outlook, which is published three times per year. Learn more about our work [here](#).