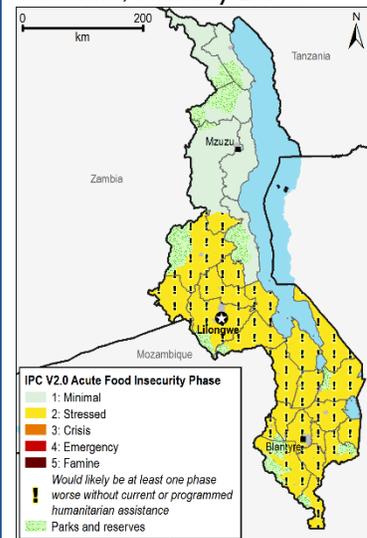


*Acute food insecurity outcomes to improve with prospects for an average 2016/17 production*

**KEY MESSAGES**

- Approximately 6.7 million people, about half of Malawi’s rural population, will receive assistance in February. Food insecure populations in central and southern Malawi will face Stressed (IPC Phase 2!) acute food insecurity outcomes, in the presence of humanitarian assistance. These outcomes are expected to continue in March, during the peak lean season. Were the humanitarian response not present, these areas would experience Crisis (IPC Phase 3) and Emergency (IPC Phase 4) outcomes.
- After March, outcomes should improve to Minimal (IPC Phase 1) for most areas as households start consuming food from their own production. However, households in the Lower Shire livelihood zone, a chronically food insecure area, will be Stressed (IPC Phase 2) because they will not have fully recovered from the impact of two consecutive years of drought and the significant reduction in cotton production.
- Reductions in incomes from cash crops are expected this season due to a decline in the area planted by farmers. Many farmers significantly reduced the area planted for tobacco and cotton because of consecutive poor marketing years for these crops, as well as losses incurred from two consecutive years of drought. This is expected to lead to a decrease in incomes at the macroeconomic and household level this season.
- Food prices are decreasing earlier and much sharper than expected and this trend will likely continue through May. Factors contributing to these decreases include the large rural population receiving humanitarian assistance, which is reducing pressure on the markets, as well as the normal and above-normal levels of rainfall received this season.

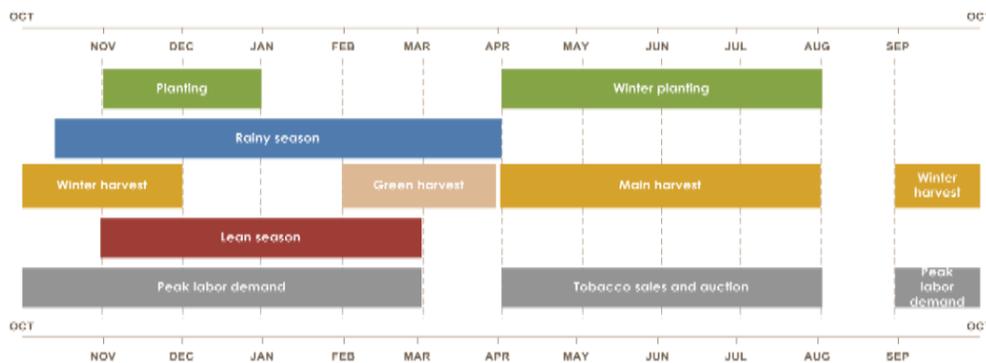
Current acute food security outcomes, February 2017.



Source: FEWS NET

This map represents acute food insecurity outcomes relevant for emergency decision-making. It does not necessarily reflect chronic food insecurity. Visit [here](#) for more on this scale.

**SEASONAL CALENDAR FOR A TYPICAL YEAR**



## NATIONAL OVERVIEW

### Current Situation

### Rainfall and Agricultural Seasonal Progress

According to field observations and reports by the Department of Climate Change and Meteorological Services (DCCMS) and Ministry of Agriculture, southern and central parts of Malawi recorded an early start of rains for seasonal planting. Areas in the central and southern regions received moderate rains in the October to December period.

Between January and February rainfall amounts ranged from moderate to heavy. Bulletins published by the DCCMS reported that in January 2017, the southern and central parts of Malawi received rainfall amounts under 100 mm in a dekad. In February, southern and central parts of Malawi received rainfall amounts exceeding 200 mm in a dekad. In January and February, crops were in the late vegetative, tasseling, and cob formation states in the central and southern regions.

Contrary to the rest of the country, areas in northern Malawi registered some delays in the onset of the main rains and very low rainfall amounts were received during the October to December period. Eventually, the start of the main rains began around January. In January, the northern region continued to receive below-average rainfall, averaging at about 62 mm per dekad. In February, the rainfall average per dekad was 83 mm. Crops in the northern region are still in the early to mid-vegetative stage of growth.

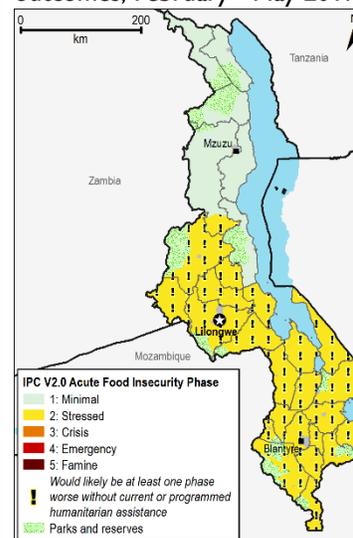
### Nutrition

The results of survey completed in November/December 2016 using Standardized Monitoring and Assessment of Relief and Transitions (SMART) methodology have been released. This survey was part of the MVAC seasonal assessment conducted during the lean season. When compared to the results from the SMART survey conducted during the start of the post-harvest period in May 2016, the results show a significant deterioration of the nutrition situation across most zones. The overall national weighted prevalence of Global Acute Malnutrition (GAM) was estimated as 4.1 percent (95% CI: 3.5 – 4.9) in November/December 2016, as compared to 2.5 percent (95% CI: 2.0 – 3.3) in May 2016. Although the national prevalence is below the GAM threshold of 5 percent (according to the WHO classification), the GAM prevalence was above the 5 percent threshold in the Lower Shire, Shire Highlands, Thyolo-Mulanje Tea Estates, and Lake Chirwa Phalombe Plain livelihood zones (Figure 1).

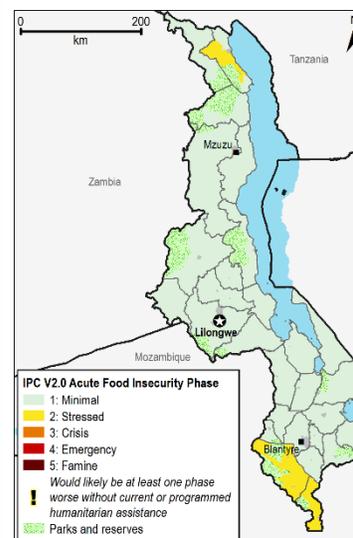
### Food Security Conditions

As part of the recent SMART survey conducted during the lean season in November/December 2016, data for additional food security indicators including the Household Hunger Scale (HHS), Household Dietary Diversity Score (HDDS), Food Consumption Score (FCS), and Reduced Coping Strategies Index (rCSI) were collected. According to the HHS results, half of the population surveyed were categorized as experiencing “moderate” or “severe” hunger.

Projected acute food security outcomes, February - May 2017.



Projected food security outcomes, June-September 2017.



Source: FEWS NET

This map represents acute food insecurity outcomes relevant for emergency decision-making. It does not necessarily reflect chronic food insecurity. Visit [here](#) for more on this scale.

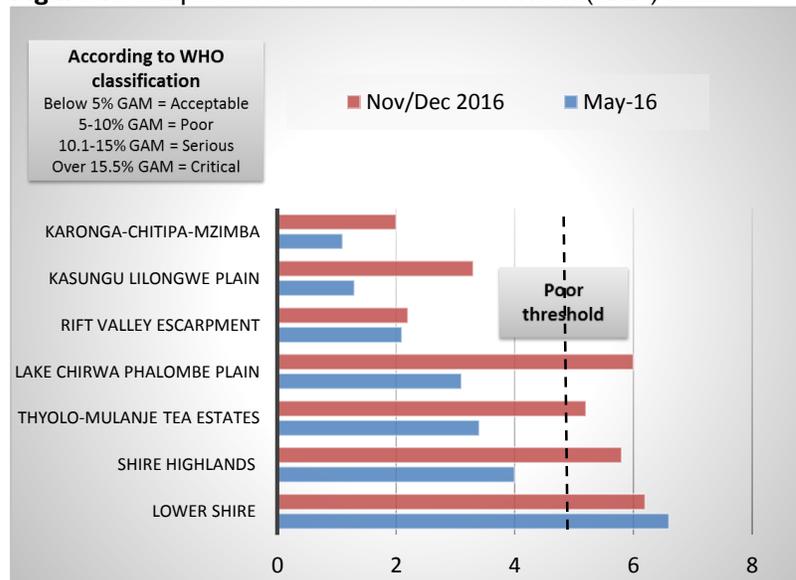
The HDDS results showed medium consumption of diversified diets in all the livelihood zones with a huge dependency on cereals and vegetables, and very low uptake of other food groups such as eggs, milk, flesh products, roots, and tubers. Overall, households in all zones registered household dietary diversity ranging from 4.5 to 5.3, which falls within the IFPRI threshold of 4.5 to 6 (<4.5 = low dietary diversity; 4.5-6 = medium dietary diversity >6 = high dietary diversity). Although none of the zones registered low dietary diversity, no zone registered high dietary.

Nearly half of the households surveyed were categorized as having “poor” food consumption scores. Overall and weighted food consumption scores deteriorated between May 2016 and November/December 2016. Areas in Lake Chilwa-Phalombe Plain livelihood zone registered the largest increase. In this area, populations experiencing “borderline” and “poor” food consumption rose from 5.2 percent in May to 36 percent in November/December 2016 (Figure 2). The rCSI results indicated that negative coping was lowest in the northern districts of Chitipa, Karonga, Rumphi, and Mzimba. Negative coping was highest in the Phalombe-Lake Chilwa districts of Phalombe, Zomba, and Machinga. According to WFP mVAM reports, negative coping has remained high since the start of the consumption season in April 2016. The most recent rCSI results revealed a higher level of negative coping in comparison to past EFSA surveys conducted by the WFP and MVAC in 2013 and 2014.

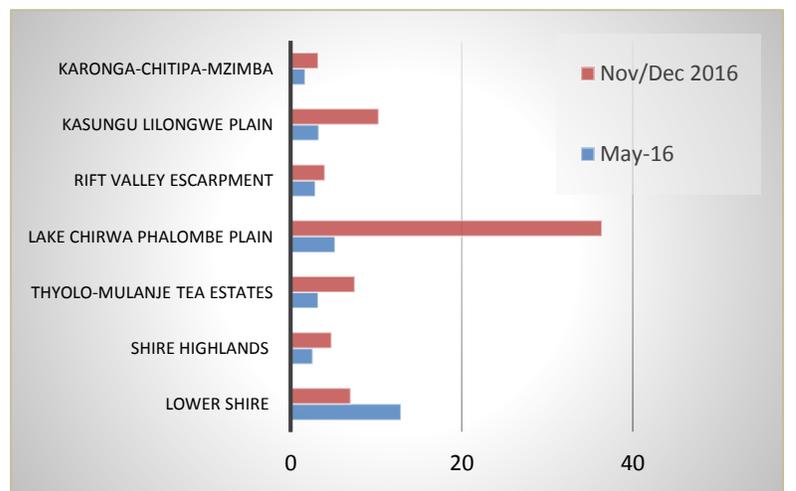
Very poor, poor, and some middle income households across most of the country are receiving humanitarian assistance to meet their basic food needs. Households that are not receiving humanitarian assistance are managing to purchase food with the income that they are earning from casual labor and the sale of firewood and charcoal. Some middle and better off households are managing to purchase food with income through livestock sales.

Approximately 6.7 million people will receive assistance in February. Food insecure populations in central and southern Malawi will face Stressed (IPC Phase 2!) acute food insecurity outcomes, in the presence of humanitarian assistance. These outcomes are expected to continue through March. Were the humanitarian response not present, these areas would experience Crisis (IPC Phase 3) and Emergency (IPC Phase 4) outcomes.

**Figure 1.** Comparison of Global Acute Malnutrition (GAM) rates.



**Figure 2.** Percentage of population with poor food consumption.



Source: Malawi Nutrition SMART Survey Preliminary Results, November – December 2016.

**Internal Trade and Market Functioning**

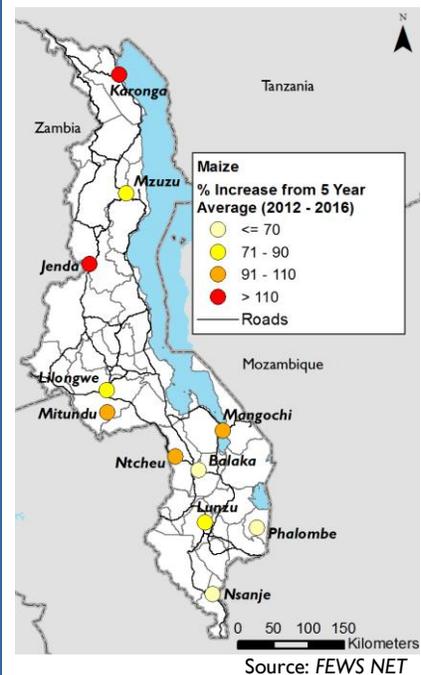
Despite Malawi reporting a huge maize deficit at the start of the 2016/17 consumption year (over 900,000 MT), the country is experiencing favorable food availability especially for the maize staple in both private and ADMARC markets. The rollout of humanitarian assistance to almost half of the rural population, some formal and informal imports, and the prepositioning of maize in ADMARC depots have all led to high maize supplies in most areas of the country which have in turn led to lower demand especially in southern Malawi.

Trader interviews in January 2017 revealed higher than normal informal imports of maize from Zambia, Tanzania, and northern Mozambique. Market monitoring has also revealed an infiltration of Zambian maize flour in markets across the country, which is the most preferred commodity by consumers.

By the end of January, Malawi had imported about 150,000 MT formally, and an estimated 200,000 MT informally. With an average production season expected for 2016/17 and some carryover stocks in ADMARC markets and among private traders, Malawi will unlikely import more maize formally, and informal imports will be minimal.

As Malawi prepares for the next consumption season, the SGR will likely remain with carryover stocks of about 30,000 MT, ADMARC with about 100,000, while private traders may also have carryover stocks ranging from 50,000 to 100,000 MT.

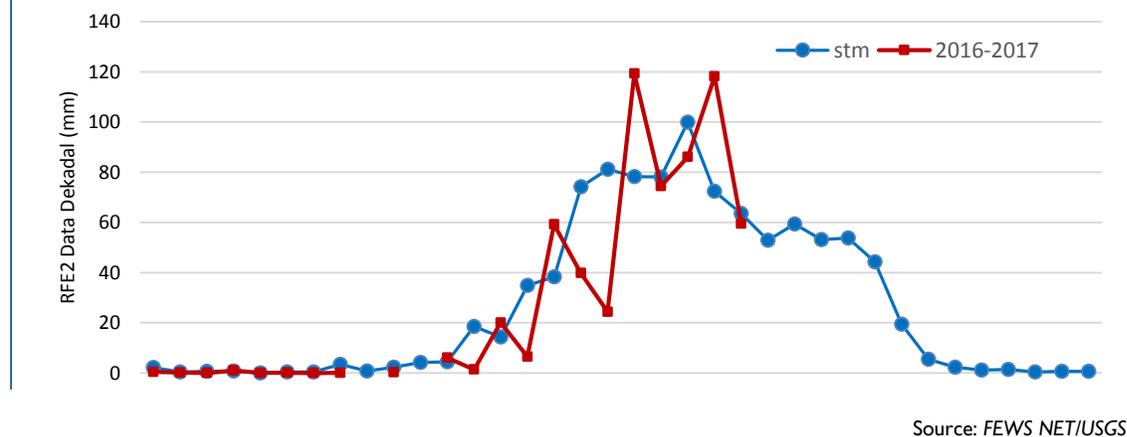
**Figure 3.** January maize prices, percent increase from five-year average.



**Maize Prices**

Current national average prices for the maize staple in retail markets have remained stable in the January to February period. Despite the stability, prices have remained very high as compared to same time last year and the five year average. National average prices for January were 111 percent higher than five year average and 25 percent greater than January 2016 prices. Drivers for the stability in prices at a time when prices normally register steep increases have been; the roll out of humanitarian assistance to over 6.7 million people thereby reducing demand in southern Malawi and dampening prices; atypical large informal maize grain inflows from neighboring countries, currently estimated at 200,000 MT and improved maize supply levels in both local and ADMARC markets.

**Figure 4.** Rainfall estimates (RFE) for northern Malawi.



### National Level Assumptions

The Food Security Outlook for February to September 2017 is based on the following national-level assumptions:

**2016/17 seasonal rainfall forecast:** Improved rainfall performance was recorded across the country from the beginning of January 2017. The rains have significantly improved pasture availability, water resources, and soil moisture while supporting the growth and development of crops. The forecast by the Malawi Department of Climate Change and Meteorological Services (DCCMS) for the greater part of the country expects above normal rainfall through the end of the season in March 2017. Other regional and probabilistic forecasts indicate a high likelihood of average to above-average rainfall. **FEWS NET is assuming that most areas in southern and central Malawi are likely to receive normal to above normal rainfall amounts of rainfall for the remainder of the season, while average rainfall amounts are expected in northern region.**

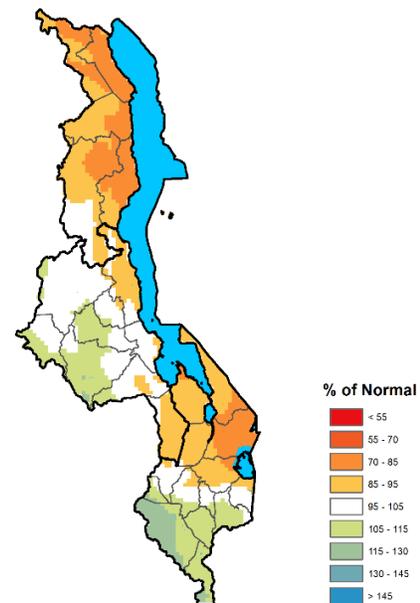
**2016/17 maize crop production:** A GeoWRSI analysis for the remainder of the season was done based on the last 15 seasons and indicated that overall rainfall in Malawi will likely be good and very good for crop production, however this does not take into consideration other non-water-shortage related factors including pests and disease, waterlogging and leaching, and the availability of inputs. While an average to above average production season would have been expected based on rainfall forecasts, **FEWS NET assumes that national food production is expected to be average (above 3 million MT as compared to about 2.3 million MT last year maize equivalent) due other factors that will negatively impact production.** These include a lack of inputs leading to high number of farmers using recycled seeds, registering lower fertilizer use, and as well as some field in localized areas suffering from pest attacks as described below.

**Seed availability and channels, access to fertilizer:** This year the government reduced the number of households benefiting from the farm Input Subsidy program from 1.5 million in the 2015/16 production season to 900,000 households in the 2016/17 production season. FEWS NET's assessment in January found that most of the private traders operating in the rural areas had stocked only one type fertilizer, basal dressing fertilizer and that they could not easily replenish stocks so farmers had to travel long distances to the nearby towns to purchase fertilizer. In a year when favorable weather conditions would otherwise lead to above-average production, **FEWS NET assumes that production of main food crops will be average this year due to reduced access to inputs such as seeds and fertilizers.**

**Green harvest availability:** Information about when most farmers planted crops varies, however the [DCMMS bulletin](#) announced that the effective onset of rains occurred during the 3<sup>rd</sup> dekad of November. **FEWS NET assumes that household access to green harvests for consumption will occur between late-February and late-March.** Most households in northern Malawi planted between early-January and mid-January which will delay their access to green consumption and main harvests. Apart from access to green maize, households will also have access to other foods such as sweet potatoes, beans, groundnuts, and pumpkins. In the northern region, household access to green consumption may occur in April since most areas were planted later than normal in that region.

**2016/17 cash crop production:** Area planted for tobacco is 40 percent lower than average, while the area planted for cotton is about 45 percent below average. During community interviews in mid-January, FEWS NET confirmed

**Figure 5.** CHIRPS percent anomaly (Oct-Feb 20).



Source: FEWS NET/USGS

that less farmers were growing cotton and tobacco this season due to the lack of resources needed to invest in production. Other reasons that community members cited for this decline include: they could not access the necessary inputs, the delayed start of the season also destroyed tobacco nurseries, and a general lack of interest in producing these crops due to the poor selling prices that farmers encountered in past marketing season. **FEWS NET assumes that 2016/17 cash crop production will be below average.** Since these crops involve the hiring of labor, this decline could reduce earned income for all wealth groups in tobacco reliant livelihood zones (KAS, MZS, WRM, and PHA). Tenants that rely on tobacco estates for their livelihoods will also be affected.

**Migratory pests:** The Ministry of Agriculture reported that African armyworm and fall armyworm attacks were reported in 5 out of the 8 Agriculture Development Divisions (Subnational agriculture boundary areas), three being in southern Malawi and two in central Malawi. **FEWS NET assumes that it is unlikely that the pests can cause serious damage to crops.** According to the information compiled by the Ministry of Agriculture, the impact of migratory pests especially African armyworms and fall armyworms were mostly found to be moderate on this year's crop production. The Ministry has responded by distributing pesticides to affected areas which upon spraying are managing to contain the infestation. With the crop at an advanced vegetative stage in most affected areas and the rains having increased in intensity.

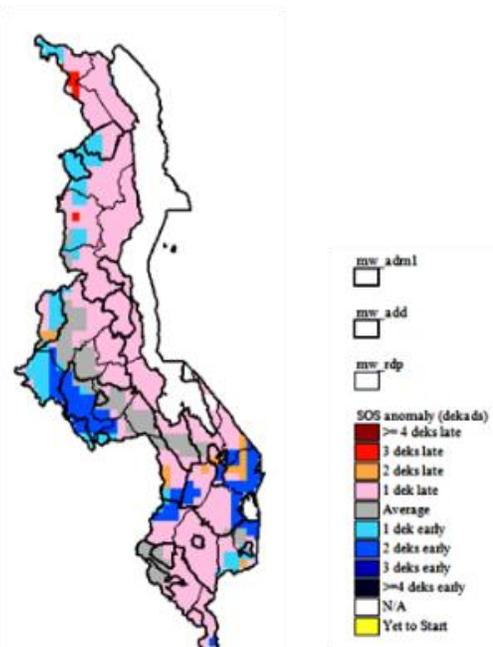
**Off-farm labor wages, demand, and supply:** Early assessments are showing that households will likely realize lower incomes from crop sales. **FEWS NET assumes that off-farm labor will likely range from slightly below normal to average across the country.** With an average season forecast, labor wages are expected to be at normal levels.

**Livestock conditions and prices:** According to the Ministry of Agriculture, livestock conditions which had deteriorated in the past two seasons will improve, along with pasture conditions, as normal to above normal rainfall levels continue. Small livestock holdings for very poor and poor households will remain lower than normal due to overselling during the lean periods. Based on reports from the Ministry of Agriculture and household interviews conducted by FEWS NET, before the start of humanitarian assistance, livestock prices decreased by as much as half of normal levels. After the implementation of humanitarian assistance, prices bounced back to normal levels and households no longer engaged in desperate sales. **FEWS NET assumes that livestock prices will be normal throughout the outlook period, and that livestock and pasture conditions will improve for the remainder of the rainy season.**

**Pre-and post-harvest national maize stock availability:** Most of the SGR stocks which are mostly being drawn down for humanitarian assistance will be low at amounts lower than 20,00 MT. FEWS NET assessments and official reports have shown that ADMARC maize sells have been very low with many consumers preferring to buy from private traders whose prices are lower than that of ADMARC. This has resulted in ADMARC retaining most of its maize stocks across the country. **FEWS NET assumes that during the February to May period, Malawi will still have official stocks of over 100,000 MT owing to unused stocks in ADMARC markets.** The stocks will further be boosted by an average harvest of near normal levels in the May to June period, which will bring national stocks to normal levels.

**Level of pre-and post-harvest household food stocks:** **FEWS NET assumes that household food stock levels will remain low across all wealth groups in the pre-harvest period and the deficits will only be off-set by the humanitarian assistance for most of the poor, very poor, and some middle households, while stocks for better-off households will be offset by market purchases.** Households which are not benefitting from humanitarian assistance

**Figure 6. Start of season anomaly**



Source: FEWS NET/USGS

will have very low or no stocks in the February to May period and will rely on modest purchases mostly in small quantities after raising incomes from labor and petty trade, as well as through selling livestock. Households across all wealth groups will access average food stocks especially the staple maize in the June to September period as they access this season's harvests.

**Integrated maize price projections:** FEWS NET assumes maize prices will start to decline in late February and late March when households in the central and southern region start consuming green foods. Projections based on FEWS NET technical analysis are showing that the prices will start to decrease in the March to May period from about MWK 249/kg in February to about MWK 150/kg in May 2017. Prices will then start increasing gradually to a high of about MWK 200/kg in September 2017 following seasonal trends.

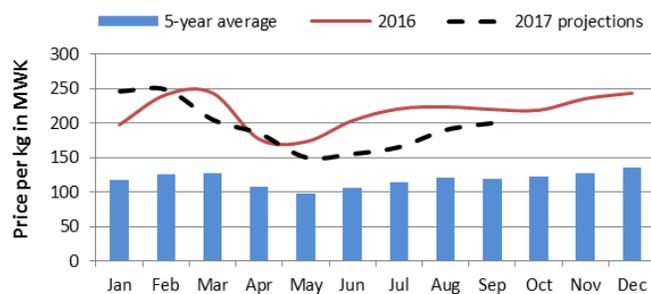
Another main driver of the projected price drop is the prospect of good production due to positive start of rains which has led to an increase in amounts of maize released onto the market thereby improving market supplies. Despite the price stability and decreases, prices will still trend at over 150 percent above the five-year average and over 50 percent above the February to May 2016 period, due to the lingering effects of consecutive poor harvests.

**Pre-and Post-harvest Informal trade flows:** FEWS NET assumes that pre-harvest and post-harvest informal cross border trade maize inflow levels will decline and be lower than normal. With the markets forces having satisfied market demand without huge formal imports and with falling prices acting as a disincentive for private traders, maize imports will be very below average to a projected 60 percent of normal throughout the outlook period. With an average production season expected in the current agricultural season and some carryover stocks in ADMARC markets and among private traders, Malawi will unlikely import more maize formally while informal imports will be minimal.

**On-farm labor wages, demand, and supply:** While October to January marks the peak of the agricultural season and when labor levels increase, low incomes (due to two consecutive drought seasons) among the middle and better off households who offer labor, in addition to lower than normal investment in cash crop production, has reduced labor availability. FEWS NET assessments and Ministry of Agriculture reports have indicated that most farmers have reduced or totally abandoned investment into the main cash crops of cotton and tobacco. Normally, the cotton and tobacco farming contributes significant amounts of labor to the poorer households. Reductions in tobacco and cotton farming will result in reduced labor demand for weeding, harvesting and processing. **FEWS NET assumes on-farm labor availability will likely be slightly below normal throughout the outlook period.** Agricultural labor availability will likely reduce by about 25 percent. Despite low labor demand, labor wages will be normal as households will realize average harvests which are characterized by less desperation and thereby empower those seeking labor to negotiate for better wages.

**National formal & informal maize imports/exports:** FEWS NET assessments in January have found that most local markets and ADMARC markets have adequate maize stocks which will last up to the next harvest. Trader interviews have revealed higher than normal informal imports of maize from Zambia and Tanzania and infiltration of additional maize from northern Mozambique winter cropping estimated at about 200,000 MT. **FEWS NET assumes that national availability for the maize staple will likely be favorable in the February to April period due to reduced demand on the markets owing to the rollout of humanitarian assistance to 6.7 million households representing about half of the rural population, suspected huge informal imports of maize and maize meal, an infusion of maize from an irrigation effort, unused stocks in ADMARC outlets of about 100,000 MT, and contributions from green consumption for late February to early March.** Availability will further be improved in the May to September period as an average harvest is expected.

**Figure 7.** National average maize grain price projections.



Source: FEWS NET

### *Most Likely Food Security Outcomes*

**February-May 2017:** Food security outcomes in southern and central Malawi will be Stressed (IPC Phase 2!), in the presence of humanitarian assistance. Without assistance, these areas would experience Crisis (IPC Phase 3) and Emergency (IPC Phase 4) outcomes. The majority of households in the northern region will face Minimal (IPC Phase 1) food security outcomes. From mid-to-late February, households in the central and southern regions will begin supplementing their humanitarian assistance with green foods from their own production. FEWS NET projects that households in the north will also be obtaining their food from their own production, but will also need to supplement this with market purchases of food as well. Food security and nutrition indicators are expected to register improvements in the February to May period as households begin to access food from their own harvests.

**June-September 2017:** Around May and June, national average prices for the maize will likely reduce to about MWK 150/kg, their lowest in the past two years. The prices will then start increasing (according to seasonal trends) and peaking at about MWK 200/kg in September, which is about 50 percent above the five-year average. Labor demand for households in the south will be significantly reduced to about 30-50 percent of normal due to huge reductions in cash crop incomes. Households in the central region will experience moderate labor demand and opportunities will be reduced by 15-25 percent due to reductions in tobacco production, which offers the bulk of labor in this region. In the north, households will likely experience normal levels of labor demand. Labor wages will likely be at normal levels since most households will be accessing food from their own production, and will not engage in labor as a desperate coping measure.

Between June and September, food security outcomes in the southern region will improve and transition to Stressed (IPC Phase 2) as households begin to access food from their own production. However, due to the low availability of crops for sale households will experience reduced access to incomes, thereby restricting access to essential basic non-food purchases. In the central region, food security will improve to Minimal (IPC Phase 1) as households consume food from their own production and have access to income from crop sales for the purchase of essential non-food items. Areas in the north will also face Minimal (IPC Phase 1) outcomes as they consume food from this year's harvests. Improved nutrition and food security indicators will be maintained along similar levels as in the February to May period described above.

## **AREAS OF CONCERN**

### **Nsanje District of the Lower Shire Livelihood Zone**

#### *Current Situation*

In 2016, Nsanje district suffered from a second consecutive drought that resulted in reduced maize production that was significantly below normal, rendering many very poor, poor, and middle income households food insecure for the current consumption year. HEA Outcome Analysis results by FEWS NET and the MVAC projected that a historically high number of people would face Crisis (IPC Phase 3) and Emergency (IPC Phase 4) acute food insecurity during the current peak lean season period. Over 80 percent of the population in Nsanje District is currently receiving humanitarian assistance for their basic food needs. In addition to the humanitarian assistance, households have been supplementing their incomes for other food and non-food purchases through casual labor and sell of firewood. Food consumption from the November/December 2016 SMART survey found that 41 percent of the households in this zone were facing "moderate" or "poor" consumption. This is a slight improvement from the food consumption findings in May 2016. The improvement in this food security indicator might be attributed to the high level of humanitarian assistance coverage in the zone.

Private trader and ADMARC market maize stocks are higher than normal for this time of the year. Due to the ongoing humanitarian assistance, fewer households are reported to be purchasing maize in the markets, which has eased pressure on the markets. In addition to this, maize has flowed into the district from across the border in Mozambique and from locally irrigated crops. ADMARC markets have also reported to have huge stocks because very few

consumers are making purchases. In normal years, LSH is a maize deficit area, but the atypically higher maize volumes being kept by private traders and ADMARC will likely result in larger than normal carryover stock. Maize prices in Nsanje have been reducing and trending at the levels below same time last year. In February, average maize prices were at MWK 200/kg as compared to last year when they were about MWK 277/kg.

Nsanje district received some light rains in late November where few farmers in the hilly upland areas planted. Significant rains came in mid-December where the three main crops of maize, sorghum and millet were planted by most farmers. However, a three week dry spell was experienced from end-December to mid-January some crops suffered from moisture stress at the vegetative stage. Some crops died and had to be replanted, hence crop development is at varying stages. As of January 15<sup>th</sup>, Nsanje district had received mean rainfall of 312.86 mm in 19.8 rainy days as compared to 268.32 mm in 11.6 rainy days at the same time last year. Most crops in the Lower Shire livelihood zone were at mid-vegetative stage and the main activity is weeding. Crops in the hilly upland areas that were planted earlier are at the tasseling stage, with very minimal farm activities taking place.

### *Assumptions for Lower Shire (LSH) Livelihood Zone*

In addition to the national assumptions listed above, the most likely scenario in for poor households in this livelihood zone for February-September 2017 is based on the following assumptions:

Level of pre-and post-harvest household food stocks: **FEWS NET assumes that pre-harvest food stocks from own production in the Lower Shire livelihood zone are at zero.** Very poor, poor and middle and household are having to rely on stocks obtained from the humanitarian assistance. Households not benefitting from humanitarian assistance are relying on very small food stocks that they are obtaining from purchases mostly in small quantities on a day to day basis. Better off households are having to rely on market purchases mainly with incomes from livestock sales. Households are likely going to obtain average food stocks of maize, millet and sorghum from the harvest in the June to September period.

2016/17 maize crop production: Lower Shire Livelihood zone, especially Nsanje district, registered delayed and erratic rainfall in the October to December period leading to poor start of the season, characterized by poor emergence of planted crop and replanting, as well as delayed planting for most farming households. With a better rainfall season as compared to the past two seasons, Nsanje will realize average an maize and sorghum production of about 40,000 MT (10,000 summer and 30,000 winter) versus 11,050 of maize last year and about 10,000 MT sorghum and millet. **FEWS NET assumes that maize, sorghum and millet crop production is expected to be average owing to above normal to normal rainfall and above normal rainfall amounts as predicted by the Department of Climate Change and Meteorological Services of Malawi, SARCOF and FEWS NET/USGS WRSI analysis.** According to this forecast, above normal to normal rainfall amounts are expected for the southern and central parts of the country during the period January to March. This is the most critical period in the development and maturity of maize crop. These rains are likely to support crop growth and development.

Seed availability and channels: Farming households in the Lower Shire livelihood zone as was the case in most parts of the country have continued to experience bottlenecks in implementation of the Farm Input Subsidy Program that enables farmers to access seeds and fertilizers at subsidized prices. The program faced long delays with coupon supplies occurring in December and January as opposed to around October thereby forcing many farmers to plant recycled seeds. Delays in fertilizer supplies in the FISP program in many outlets are also disrupted the agricultural season with some crops missing critical deadlines for fertilizer application. These constraints may lead to poorer crop development and reduction in production. As a result, **FEWS NET assumes that crop production will be at average levels, as opposed to above average, this season the zone is experiencing an above average rainfall season.**

2016/17 Cash crop (Tobacco) production: **In Nsanje, FEWS NET assumes that the production of cotton, the main cash crop, will remain at last year's low levels or may even go lower.** As stated in the national assumptions, in 2016 many farmers decided to opt out of cotton production due to lack of incomes to invest, input support ,and consecutive poor marketing seasons. In 2016, district cotton production was very low at about 5,000 MT. During a typical year, the district produces over 40,000 MT. Ministry of Agriculture reports in January recorded that areas

planted to cotton in LSH were only half of the five-year average amount, and indication that production will be below average again this year.

**Migratory pests:** Despite an armyworm attack of maize sorghum and millet, **FEWS NET assumes that pests are not likely going to pose a major threat to overall crop production.** Ministry of agriculture reports indicate that over 4,000 hectares of cropped land in the Lower Shire livelihood zone, including Nsanje, suffered fall armyworm attacks in January. The reports also indicated that timely control by pesticides supplied by the Ministry of Agriculture assisted in containing the pest outbreak and no significant impact was expected.

**Humanitarian assistance:** **FEWS NET assumes that humanitarian assistance in the district will end in March 2017.** Since November 2016, households have received monthly rations of a 50 kg cereal (maize/previously sorghum), 10 kgs pulses and 2 kgs vegetable oil or a cash equivalent (in areas where markets are functional). Despite some shortfalls in non-maize and cash equivalent rations, households will still meet more than 50 percent of their food needs thereby improving household food access.

**On-farm labor wages, demand and supply:** FEWS NET assessments in January revealed that the labor wages had recently risen to normal levels when the majority of households started benefitting from humanitarian assistance and were no longer desperate. Current labor wages are moderately higher than baseline wages, however terms of trade have worsened due to high staple prices that are significantly above average. Community interviews during a FEWS NET rapid assessment in January showed that labor access during the peak labor season reduced by about 40 percent as many households that offer labor had low incomes due to an almost zero production season for both food and cash crops. Incomes for the wealthier groups was also compromised by the prioritization of food purchases as opposed to investment into agricultural production. About half of the middle and better off farmers who normally grow tobacco have abandoned tobacco production this production season due to low tobacco prices that were offered by the buyers at the auction floors. Most of the typical on-farm labor opportunities are found on these tobacco farms. **FEWS NET assumes that weeding (February to March) and harvesting (April to May) opportunities are expected to reduce by about 15 to 25 percent compared to normal.** Despite many poor households being available and looking for these opportunities, demand is expected to be significantly below average. Labor opportunities will likely increase in the June to September period as some households begin to harvest and other start irrigated cultivation along the Shire River wetlands. Labor wages will remain at normal levels throughout the consumption season. The normal wage rates will sustain the post-harvest period as most households will start accessing own produced food and some modest incomes from some crop sales.

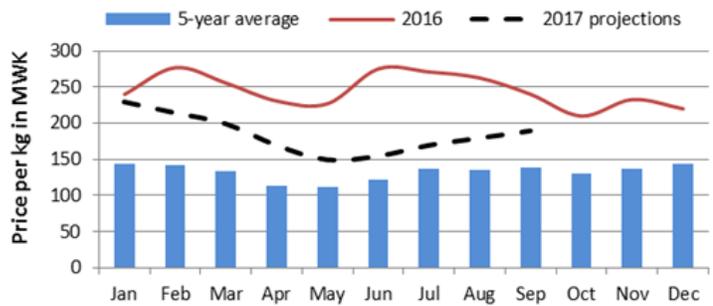
**Off-farm labor wages, demand and supply:** **FEWS NET assumes (just as is the case with agricultural labor), that off-farm labor demand will likely increase to normal levels throughout the outlook period.** However, some modest reductions will likely be registered as most middle and better off household incomes will not fully have recovered from the low incomes of the 2015 and 2016 seasons.

**Pre-and Post-harvest Informal trade flows:** Informal maize trade flows especially from Mozambique will likely reduce between February and April to about 60 percent of five-year average owing to availability of carryover stocks with ADMARC and private traders, and decreasing prices. **FEWS NET assumes that these reduced levels of inflows will persist in the May to September period when most traders will be buying maize from the local harvests which will likely be average.**

**Livestock conditions and prices:** **FEWS NET assumes that livestock conditions will likely improve as the zone is experiencing adequate rainfall for pasture development.** Livestock conditions had deteriorated in the past two seasons as a result of poor pasture conditions caused by two consecutive drought years. With the current improved pasture situation, livestock conditions have improved. Livestock prices will likely remain normal throughout the outlook period. While livestock prices had gone significantly decreased to up to 50 percent of normal before commencement of humanitarian assistance, prices picked up and rose to normal levels when households stopped desperate sales and have remained normal from July to date. Prices are unlikely to go down as a normal production season is expected.

**Green harvest availability:** FEWS NET assumes that households will likely start accessing green harvest for consumption in early April. Households normally access green consumption in March, but due to delayed rainfall and some crop replants which have delayed crop development by about a month as compared to normal. With the majority of households benefitting from humanitarian assistance, green consumption may not play a crucial role in food access as it normally does.

**Figure 8.** Nsanje maize grain price projections.



Source: FEWS NET

**Integrated maize price projections:** FEWS NET assumes that prices will likely register steep declines as an average production season is expected and both ADMARC and private traders still have stocks which will likely carryover into the next consumption season. Maize prices which were at around MWK 240/kg in January will decline to about 230/kg in February, declining further to about MWK 150/kg in May and start rising seasonally to peak at around MWK 190/kg in September. Current prices are 65 percent higher than the five-year average. These prices are expected to increase and peak in February at around MWK 220.00 per kilogram before they start declining in March. During the period February to March, prices are expected to be about 65 percent higher than five-year average. Similarly in the period April to September, prices are anticipated to average around 65 percent above five-year average (Figure 8). Typically prices reductions are expected in March in anticipation of the new harvest which normally is expected between April and May. Overall typical price trends are expected throughout the outlook period.

**Likely evolution of GAM pre- and post-harvest:** A nutrition SMART survey conducted by the MVAC in November 2016 recorded GAM rates in the zone to be at 6.2 percent among children under five (Figure 1), which is considered “poor” according to the WHO classification. The survey was completed during the lean season and in an area that was receiving ongoing humanitarian assistance interventions since July 2016. A similar nutrition SMART survey was completed several months earlier during the harvest period in May 2016 and found similar GAM rates in this zone (Figure 1). FEWS NET assumes that the GAM prevalence among children under five will likely improve in March and April as households begin accessing food from green consumption, and in May with the start of the 2016/17 harvest. However, could increase to around the 5 percent WHO threshold during the remainder of the outlook period.

### *Most Likely Food Security Outcomes*

Between **February and May the area will be Stressed (IPC Phase 2!) with humanitarian assistance** that will be implemented up to March 2017. Area outcomes will **improve to Stressed (IPC Phase 2) as households begin to start consuming their own green harvests and crops from the main harvest**. From end March to April, households will start accessing food from green consumption especially of maize, sweet potatoes, and pulses. After May, households will access food from main harvests. However, **household food security outcomes will not improve beyond IPC Phase 2 as households will have limited access to incomes from crop sales and labor during the next consumption year**. Ministry of Agriculture reports indicate that cotton production in LSH will be more than 50 percent below five-year average levels. FEWS NET assessments in January show that labor opportunities for poorer households will also be reduced. **As a result of this, Stressed (IPC Phase 2) outcomes are expected to persist during the June to September period**. Very poor and poor households will continue engaging in casual labor and exploiting natural resources through the collection of firewood and making of charcoal to sell for cash. Very poor and poor households will not manage to get adequate incomes to afford key non-food expenditures to protect livelihoods. With an average production expected in food crop production and below average production in cash crop production, households are unlikely going to have adequate crops for sale. Middle and better-off households will continue with

modest livestock sales to for the cash needed to buy supplementary food and non-food purchases as they will realize minimal incomes from crop sales.

### **Kasungu District of Lilongwe Kasungu Plain Livelihood Zone**

#### *Current Situation*

Over 352,000 people or 44 percent of the district population is receiving humanitarian assistance. According to the SMART survey implemented in November/December 2016, 45.2 percent of the population in the zone is experiencing “borderline” or worse food consumption. The HDDS for the zone is 4.5, which is considered “medium” dietary diversity based on the IFPRI classification. Negative coping in Kasungu Lilongwe Plain, based on the rCSI, is high. The HHS indicated that 44.5 percent of the population in the zone face “moderate” hunger.

Very poor and poor households in Kasungu are mainly relying on market purchases to access food and are obtaining this income mainly through agricultural labor and the selling of firewood and charcoal. Main labor activity for January and February is weeding. Current demand for agricultural labor is below average because of the increased number of households looking for labor and low incomes (due to two consecutive drought seasons) among the middle and better off households that hire labor.

Maize is readily available in main markets across the district. Market supplies are at normal levels for this time of the year. Most of the maize found in these markets is from within the district as well as from neighboring Mzimba district and some of it is sourced from across the border in eastern Zambia. Currently staple maize is being sold at around MWK 200 per kilogram, which is 65 percent higher than the five-year average.

Kasungu district started receiving rainfall in late October. Some farmers started planting their crops. However majority of the farmers started planting their crops between mid-November and early December when the district started receiving more effective rainfall. Most of the on farm activities currently include weeding and basal dressing fertilizer application.

Cropped area for maize slightly increased by 4 percent since the previous growing season to 116,894 hectares in the 2016/17 growing season. In comparison to the five-year average, this year’s area planted is 5 percent above the average total land planted with maize.

This growing season there is a significant decrease in tobacco planted area from 13,459 hectares in 2015/16 to just 7,123 hectares in the 2016/17 growing season. In comparison to last season and the five-year average, this decline of tobacco is nearly 50 percent. In this district, Tobacco is the main cash crop. The decrease in area planted is mainly due to the low tobacco prices offered by buyers during the 2016/17 marketing season, which is a disincentive for tobacco growers this season. Some of this area has been planted with soya beans instead, which has recorded an increase of 62 percent in area planted when compared to average. For the 2016/17 growing season, 19,261 hectares of soya beans were planted in comparison to the average of 11,920 hectares. Soya beans is an emerging cash crop in the district. Groundnuts is another important cash crop in Kasungu district, but the total areas planted this season decreased by 8 percent in comparison to the five-year average.

According to the Ministry of Agriculture, Irrigation and Water Development, most of the districts under Kasungu-Lilongwe plain have reported attacks on maize crops by the Fall armyworm. About 1,500 hectares of maize crop under Kasungu Agriculture Development Division (ADD) has been under moderate attack. Out of this area, about 400 hectares are under Kasungu district (< 1 percent of area cropped to maize). The pests are reported to be under control. However, further damage by this pest this season could dampen the good harvest prospects for the current farming season.

Since the start of the rainfall season in late October the district experienced two to three weeks of dry spell. Rainfall resumed by mid-November but total rainfall amounts have been below average. Rainfall performance started

improving since the beginning of January 2017 where until mid-January rainfall amounts have been above normal and above last year's amounts.

#### *Assumptions Lilongwe Kasungu Plain (KAS) Livelihood Zone*

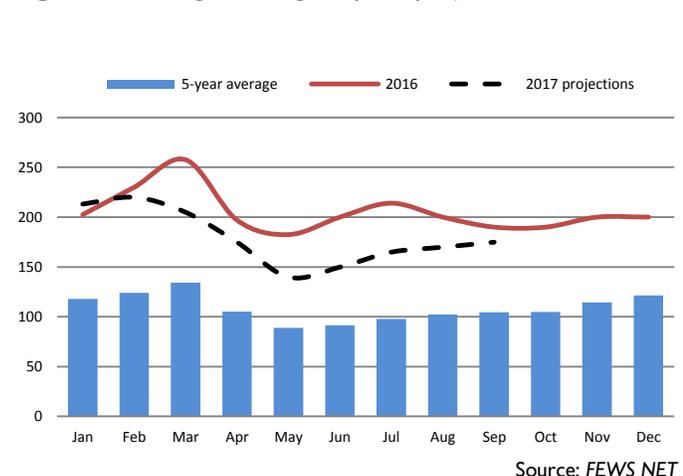
In addition to the national assumptions listed above, the most likely scenario for poor households in this livelihood zone for February-September 2017 is based on the following assumptions:

Level of pre-and post-harvest household food stocks: **FEWS NET assumes that pre-harvest stocks from own production are almost nonexistent for the very poor, poor, middle and some better off households owing to significantly below average production in the previous production season.** Very poor and some poor households are relying on humanitarian assistance in February and March, while the rest of the wealth groups are relying on market purchases for food. All wealth groups will have about average food stocks in the post-harvest period due to average production prospects 2016/17 seasonal rainfall forecast. According to the forecast by the Department of Climate Change and Meteorological Services of Malawi most areas in southern and central Malawi are likely to receive above-normal to normal rainfall amounts during the period January to March. Kasungu district which lies in the central region of Malawi is expected to receive above-normal to normal rainfall amounts in the period January to March.

Green harvest availability: **FEWS NET assumes that households will likely start accessing green harvest by end March.** This is a normal start of green consumption access as households typically access green consumption by March. With 44 percent of the population receiving humanitarian assistance, green consumption may not play a significant role in food access as it typically does.

Integrated maize price projections: Current prices are 65 percent higher than five-year average. **FEWS NET is assuming that these prices will increase and peak in February at around MWK 220.00 per kilogram, before they start declining in March.** During the February to March period, prices are expected to be about 65 percent higher than five-year average. Similarly, in the April to September period prices are anticipated to average around 65 percent above five-year average. Typically prices reductions are expected in March in anticipation of the new harvest, which normally is expected between April and May. Overall, typical price trends are expected throughout the outlook period.

**Figure 9.** Kasungu maize grain price projections.



Livestock conditions, diseases, and prices: **FEWS NET assumes that livestock conditions will likely improve as the district is experiencing adequate rainfall for pasture development.** Small livestock holdings for very poor and poor households will remain lower than normal due to overselling during the lean period. Livestock prices will likely be normal in the outlook period. Both household interviews and the Ministry of Agriculture reports showed that livestock prices which had gone down to as much as half of normal prices prior to the start of humanitarian assistance interventions. Since the start of assistance distributions, prices have bounced back to normal levels and households were no longer engaged in desperate sales.

Seed availability and channels, access to fertilizer: FEWS NET assessment conducted in Kasungu in January found that most of the private traders operating in the rural areas engaged in the Farm Input Subsidy Program had stocked only one type of fertilizer, basal dressing fertilizer and that they could not easily replenish stocks so farmers had to

travel long distances to the nearby town to purchase fertilizer. FEWS NET focus group discussions in January revealed that nearly half of the very poor and poor farmers involved in the focus group discussions and did not receive coupons for the subsidized inputs planted recycled maize seed which they were buying from local markets. **FEWS NET assumes that the Government and NGO input programs could not fully meet the demand for inputs, resulting in the use of low quality recycled maize seed which may negatively impact harvests.**

Migratory pests: Despite a Fall armyworm attack on maize **FEWS NET assumes that pests are not likely going to pose a major threat to overall crop production.** However in the event that the situation aggravates during the period February to March before the crop matures, this could dampen prospects for good crop harvests that is anticipated in the current farming season.

2016/17 maize crop production: Kasungu Lilongwe plain especially Kasungu district experienced almost a normal but erratic start of the rainfall which led to drying up of some transplanted tobacco seedlings. During October to December period rainfall performance was poor. Below average rainfall amounts were recorded during this period. With above average to average rainfall in the January to March period, Kasungu district is expected to register a significant 41 percent increase in summer maize production compared to 2015/16 production season. However in comparison to five year average it is expected that there will be a reduction in production of just 5 percent. **FEWS NET assumes that summer maize production is expected to be close to average owing to above normal to normal rainfall amounts** as predicted by the Department of Climate Change and Meteorological Services of Malawi, SARCOF and FEWS NET/USGS WRSI analysis. According to these forecasts, above normal to normal rainfall amounts are expected for the southern and central parts of the country during the period January to March. This is the most critical period in the development and maturity of maize crop. These rains are likely to support crop growth and development.

Level of pre-and post-harvest household food stocks: **FEWS NET assumes that pre-harvest food stocks from own production in the Lower Shire livelihood zone are at nonexistent for very poor, poor, middle and some better off households, owing to significantly below-average production in the previous season.** Very poor and some poor households will be relying on humanitarian assistance in February and March, while the rest of the wealth groups are relying on market purchases for food. All wealth groups will have close to average food stocks in the post-harvest period (June-September) due to average production prospects this season.

2016/17 cash crop (tobacco and groundnut) production: A FEWS NET assessment in January found that this growing season there is a significant decrease in tobacco planted area. The area has dropped from 13,459 hectares in 2015/16 to just 7,123 hectares in the 2016/17 growing season. In comparison to last season and the five-year average, this decline of tobacco is nearly 50 percent. Some of this area has been planted with soya beans instead, which has recorded an increase of 62 percent in area planted when compared to average. For the 2016/17 growing season, 19,261 hectares of soya beans were planted in comparison to the average of 11,920 hectares. As a result, soya bean production this season is expected to be 41 percent above the five-year average. Soya beans is an emerging cash crop in the district. Groundnuts is another important cash crop in Kasungu district, but the total area planted this season decreased by 8 percent in comparison to the five-year average. Nonetheless, production for groundnuts is expected to be about 4 percent higher than during the 2015/16 season. **FEWS NET assumes that households in this zone will be able to access near normal levels of income from these crops during the months of April to September.**

On-farm labor wages, demand, and supply: Casual labor demand peaked in January and the most common activities are planting and weeding. Labor rates were at normal levels but food access was constrained by the high prices of maize. About half of the middle and better off farmers who normally grow tobacco have abandoned tobacco production this production season due to low tobacco prices that were offered by the buyers at the auction floors in the previous marketing season. Most of on farm labor opportunities are found on these tobacco farms. **FEWS NET assumes that weeding activities in February and March will slow down as most of the crops mature. Harvesting activities and labor is expected to peak between April and May.** Despite many poor households being available and looking for these opportunities, **demand is expected to be significantly below average. Labor wages will remain moderately higher than baseline levels.**

Likely evolution of GAM pre- and post-harvest: A nutrition SMART survey conducted by the MVAC in November 2016 recorded GAM rates in the zone to be 3.3 percent (95% CI: 2.0- 5.4) among children under five (Figure 1), which is considered “acceptable” according to the WHO classification. Since the survey was completed during the lean season, the GAM rates are higher than typical for the zone. Since humanitarian assistance was planned to begin in this zone in November 2016, **FEWS NET assumes a general improvement of the nutrition situation during the February to March period as a result of the assistance.** In the April to September period, more improvements are expected as households begin to consume own produced food from the expected harvest in April and May. Overall, acceptable levels of GAM rates are anticipated during the remainder of the outlook period.

### *Most Likely Food Security Outcomes*

Very poor and poor households not receiving humanitarian assistance will continue to experience small consumption gaps during the February to March period. Prices continue to be higher than average, which is normal during the peak lean season. In normal years, very poor and poor households depend on agricultural labor opportunities on tobacco farms during between February and May, however since about half of the farmers that normally grow tobacco have abandoned production this year, agricultural labor opportunities are expected to be scarce during this period. This will likely lead to reduced levels of income for very poor and poor households that usually rely on this labor. It is likely that after assistance ends in March, households may not be able to meet their basic non-food needs for a few months without engaging in irreversible coping strategies. For the period February to May, areas will be mostly Stressed (IPC Phase 2!), in the presence of assistance.

April and May marks the beginning of the new crop harvest. Due to anticipated close to average maize production, area food insecurity outcomes are expected to improve for the June to September period. After selling off some of their food crops and other cash crops households, households will be able to meet their food needs while protecting their livelihoods between June and September. Very poor and poor households will access average incomes from the sale of mostly food crops. Middle and better-off households will obtain reduced incomes from tobacco sales due to significantly reduced production this season. However, the sale of alternative cash crops such as soya beans, as well as other food crops including maize and groundnuts is expected to contribute higher than normal levels of income as a result of increased production this season. Area outcomes are likely to transition to Minimal (IPC phase 1) food security outcomes in the June to September period.

### **EVENTS THAT MIGHT CHANGE THE OUTLOOK**

**Table 1.** Possible events over the next six months that could change the most-likely scenario.

Area	Event	Impact on food security outcomes
Nationwide	The impact of the Fall armyworm on production is greater than originally expected.	Could lead to reduced food and income access during the next consumption year.
	Mid-season dry spells.	May negatively affect crop maturity and reduce main harvest production.
Northern region	Delayed maturity of main food crops in northern Malawi where planting was delayed by over three weeks, may extend the lean period in the region.	Areas in northern Malawi that are benefitting from humanitarian assistance may require an extension of the program by one more month.
Southern region	Possible localized flooding causing damage to infrastructure and crops.	Could lead to reduced food and income access during the next consumption year.