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ZIMBABWE Food Security Outlook Update

August 2017

Stressed (IPC Phase 2) outcomes prevail in the south as poor households face difficulties in meeting non-food needs

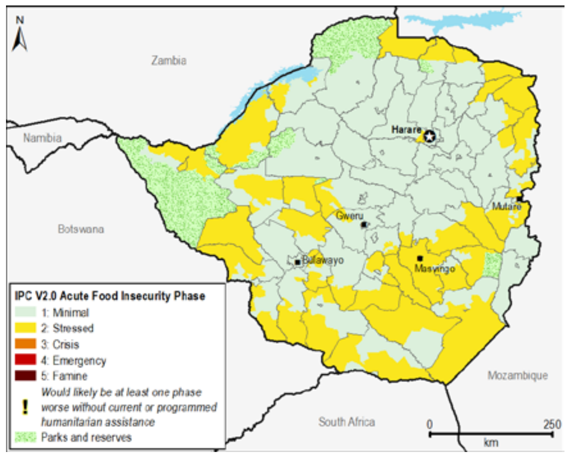
KEY MESSAGES

- Minimal (IPC Phase 1) food security outcomes are currently being experienced in most traditional cereal-surplus areas in the north. Some poor households in parts of the deficit south and marginal north are now facing Stressed (IPC Phase 2) outcomes as own-produced stocks become limited and due to earlier livelihood protection deficits. From October 2017 through January 2018, Minimal (IPC Phase 1) outcomes will continue in the surplus-producing areas, however a few of these areas will transition to Stressed (IPC Phase 2). During this period, most of the south and extreme northern areas will be Stressed (IPC Phase 2), with some parts experiencing Crisis (IPC Phase 3) outcomes and in need of food assistance.

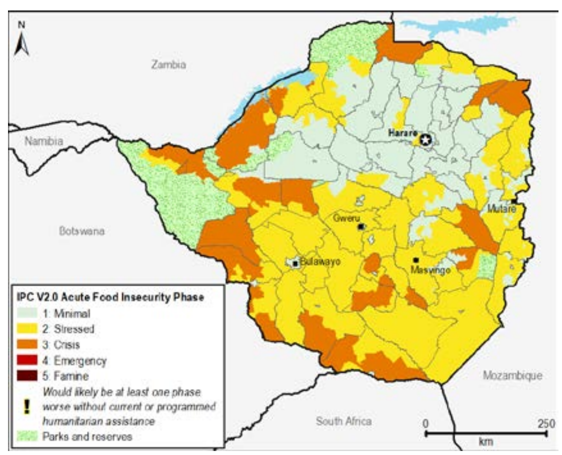
- Incomes from cereal and other crop sales are generally low due to low demand and below average prices. Rural household livelihoods and incomes also continue to be constrained because of the country's cash shortages.

- The ZIMVAC recently released food insecurity estimates for the rural population. According to the report, about 3 percent of the rural population is expected to be food insecure for the July-September quarter. This figure is expected to rise to 7 percent between October and December, peaking at 11 percent (or 1.1 million people) during the January-March 2018 period. The results from this assessment will be used during consultations for the 2017/18 lean season assistance.

Current food security outcomes, August to September 2017.



Projected food security outcomes, October 2017 to January 2018.



Source: FEWS NET
This map represents acute food insecurity outcomes relevant for emergency decision-making. It does not necessarily reflect chronic food insecurity. Visit www.fews.net/IPC for more on this scale.

CURRENT SITUATION

Macroeconomic Conditions

- The country's cash shortages continue to worsen. The liquidity challenges continue to affect livelihoods in both rural and urban areas. Demand for goods and services, and opportunities for casual labor, self-employment, and labor rates remain constrained. Barter terms of trade for poor household members are below average and this is having a negative impact on household incomes.

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- Foreign currency is disappearing from formal markets, reportedly resulting in some businesses relying more on the black market. This is increasing production costs for basic goods and services (including some food commodities) for consumers.

Agricultural Seasonal Progress

- Maize grain deliveries to the Grain Marketing Board (GMB) continue to increase. By the end of July, the GMB is reported to have received up to 450,000 MT of maize from the current harvest, which is three times the amount delivered during same time last year.

- As the selling season approaches closure in mid-August, tobacco sales at both the auction and contract floors are reportedly six percent below last year. Tobacco deliveries have been below average. Also, authorities in the cotton industry have revised their cotton production estimates to be 70,000- 75,000 MT compared to an earlier estimate of 100,000 MT. This will have impact on potential household incomes in tobacco and cotton growing areas.

- The Southern Africa Regional Climate Outlook Forum (SARCOF) is expected to meet towards the end of August. The meeting will issue the regional forecast for the 2017-18 rainfall season.

Trade and Market Functioning

- Maize grain prices continue to be below average in most surplus-producing areas. Demand on informal markets continues to be low as most households consume own-produced crop. The low and below-average seasonal prices are unattractive and some farmers who are not delivering to the GMB are withholding their grain from the markets.

- However, in some traditional grain deficit areas in the south and north, demand for maize is reported to be gradually increasing as own-produced stocks for some households become limited. Prices in some areas are also relatively high, (e.g. up to $0.46/kg USD $8/17.5 kg bucket) as traders bring in grain from distant markets.

UPDATED ASSUMPTIONS

Most assumptions discussed in the FEWS NET Zimbabwe Food Security Outlook June 2017 - January 2018 are still valid.

PROJECTED OUTLOOK THROUGH JANUARY 2018

Between **August and September**, In the **typical cereal-deficit southern and marginal areas in the north** some areas that realized high production will experience Minimal (IPC Phase 1) food security outcomes. However, most of the areas will experience Stressed (IPC Phase 2) outcomes. This will be because whereas poor households will manage to meet their minimum food needs from own-produced stocks, they will experience significant livelihoods protection deficits when trying to meet their household needs including costs associated with education, health, and agricultural inputs. From **October through January**, Minimum (IPC Phase 1) food security outcomes are expected to persist in most **traditional cereal-surplus northern and other high-producing areas** from October through January due to availability the of own produced stocks. For the **southern and marginal northern areas**, some poor households will begin to have limited own-produced stocks and will increase coping mechanisms to meet their minimal food needs. As a result, Stressed (IPC Phase 2) outcomes are expected. In some areas, poor households would have completely exhausted own-produced stock during the outlook period. At the same time, they will experience constrained livelihood options (on-farm and off-farm labor, self-employment, remittances, petty trading etc.). With poor households expected to resort to market purchases and other sources of food, food gaps are expected. Even the forecasted normal start and average rains for the 2017-18 rainfall season will not significantly improve incomes due to expected economic and liquidity challenges. Some of the middle and better-off households who will still have surplus grain may be unwilling to dispose towards in-kind labor payments due to uncertainties over the next cropping season. Most households will resort to negative coping mechanisms, including distress sale of assets. As a result, Crisis (IPC Phase 3) food security outcomes are expected in some areas during this period, requiring humanitarian assistance.

SEASONAL CALENDAR FOR A TYPICAL YEAR