Cereal production in 2021 forecast at bumper high

Harvesting of the main 2021 season cereal crops will start in April and aggregate production is expected to surpass the above-average outturn of the previous year.

Since the start of the cropping season in October 2020, rainfall has been well distributed and cumulative amounts have been more than adequate to meet the water requirements of maize crops, the principal grain grown in the country. Reflecting the favourable rainfall conditions, remote sensing indexes depicted healthy vegetation conditions in most cropped areas at the beginning of March 2021, inferring a high likelihood of above-average yields at the national level. Excessive amounts of rainfall in some areas of Central and Northern regions may have stunted crop growth and had a negative effect on yields. Dry spells in some parts of Southern Region could also limit yield potential. However, these localized adverse weather events are not anticipated to have a significant impact on the aggregate national output.

The area planted to maize is estimated to have increased in 2021, further supporting the favourable production outlook. The upturn in maize sowings reflects the favourable weather conditions during the planting period and the roll-out of the Government’s Affordable Inputs Programme for the 2020/21 cropping season, which provided access to subsidized seeds and fertilizers for 3.8 million smallholder farmers.

Overall, maize production is foreseen to reach at least 4 million tonnes in 2021, compared to the 3.7 million tonnes harvested in 2020.
Supply outlook boosted by favourable production expectations

Based on the current production expectations for the 2021 harvest, domestic maize supplies in the 2021/22 marketing year (April/March) are forecast to be more than sufficient to cover national consumption needs and to enable a build-up of stocks. Maize exports are also expected to increase in 2021/22, following the recent lifting of the maize export ban. The Government announced to issue export licences for 350,000 tonnes. However, crop prospects are also favourable in neighbouring countries and bumper harvests elsewhere in the subregion are likely to limit export opportunities.

Import requirements of wheat and rice are foreseen at 225,000 tonnes in the 2021/22 marketing year, a slight year-on-year increase as production is not expected to keep pace with population growth and consumption needs.

Lower year on year maize prices

Interrupting a rising trend that started in June 2020, the national average price of maize grain decreased in February 2021 and was about 45 percent lower year on year. The lower price is mostly attributed to the ample supply situation and prospects of an above-average annual output in 2021, which is likely to also help contain seasonal price increases later in the year. At the subnational level, prices were higher in southern districts compared to the markets in the centre and north, reflecting the lower levels of production in the south.

High prevalence of food insecurity, but improvements anticipated from April onwards

Based on the latest IPC assessments, released in January 2021, approximately 2.6 million people are estimated to be food insecure and in need of humanitarian assistance until the end of March, prior the main harvest period. Nearly 80 percent (about 2 million people) of this population is located in rural areas and mostly in southern districts. The national figure marks a deterioration compared to the previous year, when about 1.8 million people in rural areas were assessed to be food insecure. The effects of the COVID-19 pandemic have been a key factor that has worsened food insecurity in 2021.

Whilst the national economy and households’ incomes are expected to recover slowly from the impacts of the pandemic, the expected improved cereal supply situation from April onwards is anticipated to have a significant positive effect on the food security situation. Prices of maize could also continue to fall, to the benefit of consumers and partly abating the effects of income losses due to the COVID-19 pandemic.

Disclaimer: The designations employed and the presentation of material in this information product do not imply the expression of any opinion whatsoever on the part of FAO concerning the legal status of any country, territory, city, or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.