

Price Monitoring and Analysis Country Brief

Madagascar

May-August 2011

Key Messages

- National average prices of rice and maize has been increasing in recent months especially due to reduced harvest.
- Food security conditions are still affected by the effects of the Cyclone Bingiza which hit the country earlier this year.
- Political situation has remained tense with postponement of elections.
- Government has supported consumers through prize stabilizing measures and subsidized food sales.

Background

Total population is 20.7 million with a growth rate of 2% per annum. Estimates indicate that 69% of the population lives with less than 1\$ per day, while 25% is undernourished. Although the rural population is 70% of the total, the agricultural value added to GDP is 23%.

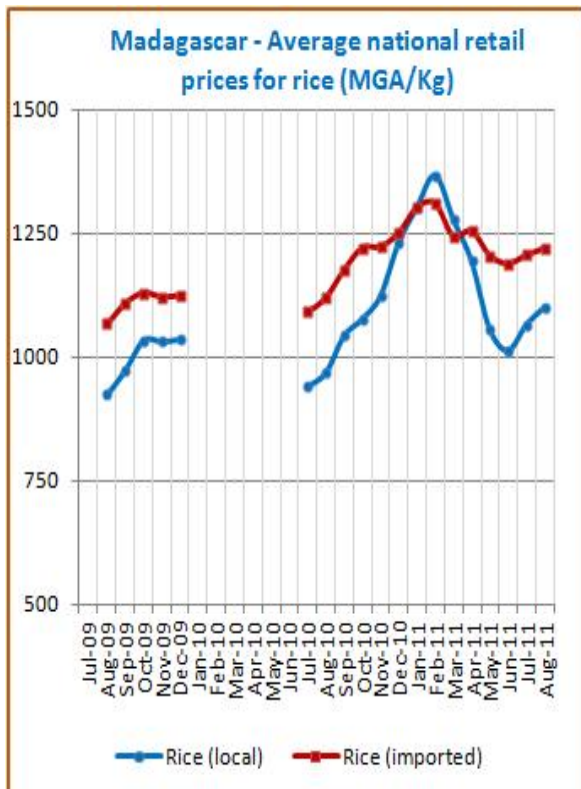
Economic Indicators	View Data
Total Population (millions) - 2010 (WB)	20.713
Population growth rate - 2010 (WB)	2%
GNI per capita, \$ PPP - 2010 (WB)	950
Population below 1\$ PPP per day - 2005 (MDGI)	67%
Rural population - 2010 (WB)	69%
Agriculture, value added (% of GDP) - 2009 (WB)	23%

Food Consumption	
Undernourished Population - 2006/2008(FAO)	25%
Cereal share in total dietary energy consumption - 2007 (FAO)	59%
Meat share in total dietary energy consumption - 2007 (FAO)	4%

Health Indicators	
Pop. with sustainable access to improved sanitation - 2008 (WHO)	11%
Life expectancy at birth (years) both sexes - 2009 (WHO)	65
Pop. with access to improved drinking water sources - 2008 (WHO)	41%
Prevalence of HIV among adults aged >= 15 years - 2009 (WHO)	0.2%

Prices

The price of rice, after a steady decline from February peaks, has slightly increased. National average retail prices of local rice were 1100 Malagasy Ariary/Kg in August, some 4% higher than prices registered in May 2011 and some 14% above the prices of one year earlier. Imported rice was sold at 1200 Malagasy Ariary/Kg (national average), almost stable compared to previous months. Imported rice prices were some 32% above prices of rice Thai A1 Super sold on the international market.



Source: [GIEWS Country Briefs](#)

Food Security Situation Assessment

The food security situation is reported to be very worrisome for many rural poor in the southern coastal areas where the impact of Cyclone Bingiza is still felt by thousands of people even three months after it initially struck. Food price increases are caused by missed or ruined harvests, while damaged roads limit access to alternative food markets. Although cyclone Bingiza caused minimal damage to food stocks (mainly rice and cassava), the damage to crops has had negative impacts on food availability, particularly for rice crops which resulted in lower production. GIEWS reported severe localized food insecurity; according to FAO Hunger Map, the country faces high level of undernourishment and IFPRI's Hunger Index depicts alarming hunger.

CURRENT EMERGENCY ASSESMENT

			FAO/GIEWS CPFS 2011
Exceptional shortfall in aggregate food production supplies	Widespread lack of access	Severe localized food insecurity	

Madagascar is not covered by FEWSNET. FEWSNET coverage is limited 14 African countries 1 Caribbean (Haiti) and 1 Central Asia (Afghanistan). Food security status is given for different parts of the country in each case. [FEWSNET](#)

SCALE OF HUNGER (% of Undernourishment)

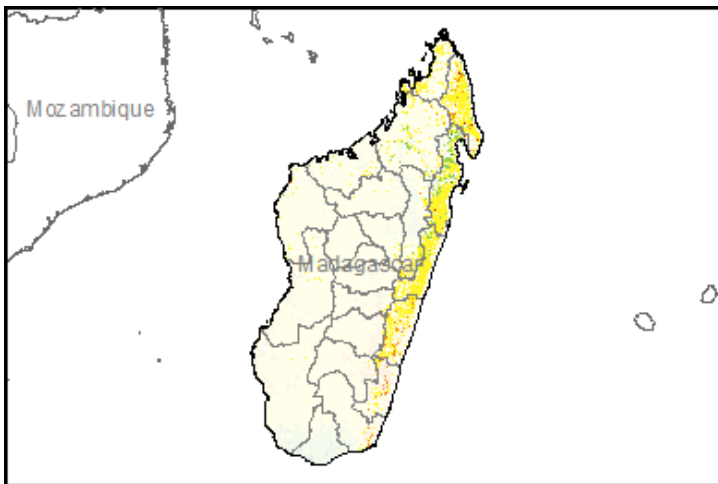
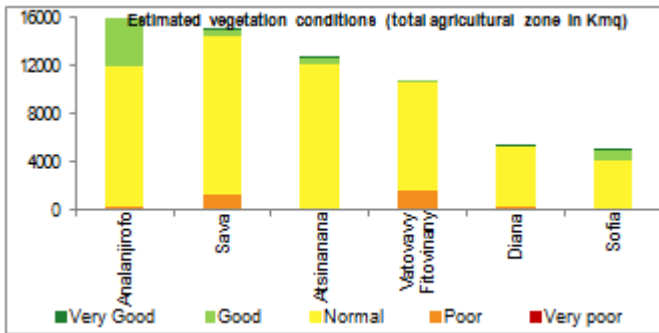
					FAO Hunger Map
Very high (>= 35%)	High (25-34%)	Moderately high (15-24%)	Moderately low (5-14%)	Very low (< 5% under.)	

FAO Hunger Map classifies all countries of the world into five based on % of population undernourished.

					IFPRI/2011 GHI
Extremely alarming	Alarming	Serious	Moderate	Low	

Vegetation Condition

At the middle of the dry season, normal vegetation conditions are observed for the major part of the country. The general indicator of vegetation condition provided below is the relative difference between the NDVI for August 2011 and the average of the last 10 years, calculated on the agricultural zones derived from the GLOBCOVER 2005 database (ESA).



Source: JRC MARS – FoodSec

Crop phase in the reference period

- Sowing Wheat
- Growing Wheat
- Harvesting Potatoes - Rice - Sorghum

Natural Disasters, Drought and Conflicts

During the reporting period, political situation remained tense as presidential and parliamentary elections were postponed.

Refugees and IDPs	2008	2009	n.a.
Total in the country	0	0	n.a.
Total outside the country	294	306	n.a.

Source: UNHCR Statistical Online Population Database, United Nations High Commissioner for Refugees (UNHCR), Data extracted on 01/12/2010.

Food Balance Sheet

Local rice production in 2011 is forecasted to decrease by 9% to 4.3 million tonnes. Total cereal production in 2011/12 is forecasted at 4.7 mlnT, 10% lower than 2010 output. Import requirements for 2011/12 marketing year (April/March) are forecast at 220,000 tonnes, some 54% above actual imports in 2010/11.

	2005-2009 average	2009	2010 estimate	change 2010/2009 percent
	000 tonnes			
Rice (paddy)	3786	4540	4785	5
Maize	395	370	412	11
Wheat	10	10	10	0
Others	1	1	1	0
Total	4192	4921	5208	6

Note: percentage change calculated from unrounded data.
Source: FAO/GIEWS Country Cereal Balance Sheets

Source: GIEWS Country Briefs

Government Policies

In the first quarter of 2011, the government waived duty and taxes on rice imports to suppress prices until the end of the lean season. Until recently it also sold subsidized rice through the 'tseña mora' programme in shops in poor urban neighbourhoods.

Consumer and market oriented measures	Sale of subsidised rice
Producer oriented measures	n.a.
Trade policy measures	Duty taxes on rice import waved
Safety net (increased or introduced)	n.a.

Different sources

Current events to watch (Click to see the full report)

- [L'Union Africaine se félicite des avancées enregistrées...](#)
- [Distribution de Plumpy'doz pour lutter contre la malnutrition...](#)
- [Des femmes s'attaquent à la croissance démographique](#)
- [Women tackle population growth](#)
- [Out from the shadows - sexual violence against children...](#)

For more information, contact: Information-for-action@fao.org
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