SPECIAL REPORT

FAO/WFP CROP AND FOOD SUPPLY ASSESSMENT MISSION TO LESOTHO

22 July 2004

Mission Highlights

- Cereal production in Lesotho for 2003/04 is forecast at 49 400 tonnes, comprising 34 000 tonnes of maize, 13 000 tonnes of wheat and 2 400 tonnes of sorghum. These levels represent less than half of last year's output and one-third of the average level for the previous five years.
- Generally inadequate, late and poorly distributed rainfall, combined with reductions in cultivated area and use of fertilizer and improved seed, accounted for this production decline.
- Cereal import requirements for 2004/05 (April/March) are forecast at 348 500 tonnes. Commercial imports are projected at 304 800 tonnes, leaving a food-aid requirement of 43 700 tonnes. WFP has 22 300 tonnes in stock and pipeline; thus a gap of 21 400 tonnes remains to be covered by additional external assistance.
- A total of 948 300 people will need food assistance in varying amounts in 2004/05.
- Severe soil and land degradation, lack of proper land and crop husbandry practices, inefficient use of improved seeds, fertilizers and pesticides, and an extension service without appropriate technical dissemination are all factors that continue to hamper agricultural production in this country.

1. OVERVIEW

On 11 February 2004, the Kingdom of Lesotho declared a state of emergency because of the high level of food insecurity in the country. The 2003 winter harvest failed after persistent droughts that have also caused severe water shortages. An appeal for food assistance has been made for more than one-quarter of the population. Against this background an FAO/WFP Crop and Food Supply Assessment Mission visited Lesotho from 13–26 May 2004 to estimate cereal production, assess the overall food supply situation and forecast import requirements for the 2004/05 marketing year (April/March), including food assistance needs.

The Ministry of Agriculture and Food Security, the Ministry of Economic Planning, the Disaster Management Authority, the Ministry of Industry, Trade and Marketing and the Bureau of Statistics cooperated fully with the Mission. Discussions were also held with relevant UN agencies as well as donor representatives, NGOs and grain importers. The Mission split into two groups and was able to cover all ten districts in the country. Interviews were conducted with District Agricultural Officers and staff from crops, livestock, extension, disaster management, nutrition and health divisions. Interviews were also conducted with village chiefs, farmers, households and traders.

The estimated area planted to cereals in 2003/04 was less than 80 percent of the average for the previous five years. This reduction resulted not only from the late rains that discouraged planting, but also from the lack or diminished capacity of farm labour. Subsequent poor distribution of rainfall combined with drastic reduction in the use of fertilizers and improved seeds, partly as the result of cuts in subsidies, have resulted in poor yield levels. Some frost damage was also observed by the Mission in several mountain districts where many households suffered serious crop losses.

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS, ROME

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Overall, the Mission forecasts 2003/04 cereal production at 49 400 tonnes, which is only 42 percent of last year's production and 32 percent of the average for the previous five years. Maize production is estimated at 34 000 tonnes, wheat at 13 000 tonnes and sorghum at 2 400 tonnes. The late rains did, however, encourage the cultivation of other crops such as vegetables, beans and potatoes, which are expected to contribute to household diets and provide cash incomes when grown in larger quantities.

The cereal import requirement in the 2004/05 marketing year (April/March) is estimated at 348 500 tonnes, and commercial imports can be estimated at 304 800 tonnes. This leaves a food-aid requirement of 43 700 tonnes of cereals. There are already 22 300 tonnes in stock and in the pipeline; thus there is an uncovered gap of 21 400 tonnes of food aid that will need to be provided. The national VAC estimates that 948 000 people will face food and/or income deficits of varying amounts.

A shortfall of these proportions is a serious concern, particularly for the most vulnerable populations and those living in remote and inaccessible parts of Lesotho. Many households have exhausted their coping capacity as they have already been experiencing similar circumstances for several years. Another serious issue is the continuous reduction in the cropping area because of severe soil and land degradation and lack of proper land and crop practices in the country's agriculture. Medium- to long-term interventions are urgently required to stop and reverse the loss of large tracts of agricultural land.

However, the key issue remains the lack of physical and economic access to food for certain segments of the population, i.e. they do not have the purchasing power to buy food even if it is available in the market. Agricultural activities remain the main source of income for nearly 60 percent of households. But more than 95 percent of these households cannot produce adequate food for their own requirements. Even for those with enough land, home-grown food often lasts for fewer than five months of the year, even in good years. To address this problem, a recent government initiative, "Block Cultivation", encourages the grouping together of farmers' fields and streamlining of labour so as to facilitate input and output distribution and allow for mechanized, high-input production to boost crop yields and rural incomes.

HIV/AIDS is a growing problem that is exacerbating the food production shortages. The prevalence of HIV/AIDS has risen from almost no officially reported cases in 1992 to an estimated infection rate of 31 percent in 2001 (among 15-49 age group). The rate of infection among pregnant mothers attending antenatal clinics is 42 percent, and there are an estimated 70 000 AIDS orphans in the country. The stigma surrounding the disease may be leading to under-reporting; it is likely that infection rates may be even higher. The seriousness of the situation has been acknowledged by the government. In late 2003 an autonomous National Aids Commission replaced the Lesotho AIDS Programme Coordinating Authority, whose resources and influence were insufficient for effectively implementing programmes.

2. SOCIO-ECONOMIC SETTING[1]

2.1 General

The Kingdom of Lesotho is a small, mountainous, landlocked country entirely surrounded by South Africa, with no substantial natural resources other than water. More than 85 percent of the population of 2 million live in rural areas and are engaged mainly in agriculture and informal activities. Agriculture contributes about 14 percent of GDP, but has remained only a supplementary source of income, because about one-half of rural household income derives from family members working in mining and other jobs in South Africa. Although these migrant earnings are declining, they nevertheless constitute about 30 percent of Lesotho's GNP. Agricultural production not only lacks a solid commercial base, it is also very erratic as there have been severe droughts in recent years. Only about 13 percent of total land area is suitable for cropping. Mining declined after the closure of the main diamond mine in 1983, although it reopened in 2003 and there are signs of further positive developments in the sector. Another most notable development has been the growth of export-oriented manufacturing, led by the clothing and footwear sub-sector. Exports to the United States have been growing owing to Lesotho's qualification for export concessions under the Africa Growth and Opportunities Act (AGOA).

Lesotho's GDP grew at an annual average rate of 6.3 percent during the period 1988–1997. Despite uncertainties and rapid changes in the economic landscape, Lesotho achieved an impressive economic performance between 1995 and 1997, with a real GDP growth rate that averaged about 10 percent annually.

1. The Central Bank of Lesotho annual and quarterly reports, World Bank, IMF and the Economist Intelligence Unit (EIU) are the main sources for this section.

The positive impact from the construction of the Lesotho Highlands Water Project, which supplies water to South Africa, and a small but rapidly growing manufacturing sector, contributed to the surge in economic growth in the late 1990s. There was subsequently a turnaround in the performance of the economy following a political crisis in 1998. GDP contracted by 5.4 percent that year. Growth resumed in 1999 and 2000, but at a slower pace, with rates of 2.8 percent and 2.5 percent, respectively. These rates, however, did not allow for per capita income growth. The economic recession was caused mainly by the civil unrest in 1998, which led to widespread looting of businesses, job layoffs and reduced investor confidence.

2.2 Recent macroeconomic developments

Lesotho's real GDP growth was estimated at 3.6 percent in 2003 and is forecast to average 3.8 percent during 2004–2006. Gross national income per capita was estimated at US$609 in 2003, compared to US$330 in 2001. This large increase is attributed to the sharp appreciation of the rand against the US dollar.

The three-year Poverty Reduction and Growth Facility (PRGF) programme agreed between the Government of Lesotho and the IMF was not strong enough to address poverty and related problems in Lesotho; although it did help the country recover marginally from the political disturbances of 1998. The IMF will continue to offer support and has extended the PRGF by three months to June 2004. A new PRGF is expected to begin soon.

In March 2004, the annual Inflation rate slowed to 5.2 percent as food prices decreased. Prices in South Africa, the source of around 80 percent of Lesotho's imports, will remain the main influence on inflation. A 20 percent increase in petroleum prices in March/April 2004 is expected to cause year-on-year inflation to rise until February 2005. The drop in domestic cereal production and continuing food shortages will also have some effect on prices. Inflation in 2004 is expected to average around 5.8 percent. A budget surplus of 2.7 percent of GDP, after grants, is projected in 2004/05 (April/March), compared to a projected deficit of 2.9 percent of GDP in 2003/04. This surplus comes as the result of a windfall from Southern African Customs Union (SACU) revenue after a two-year delay in disbursing members' shares.

Employment in manufacturing, the largest formal employer, rose by an estimated 22.5 percent in 2003. Despite the deterioration observed in the manufacturing production volume index, improvement in employment levels in this sub-sector may indicate growing optimism about demand from the United States, particularly for clothing. Another important source of employment for Lesotho is the mining industry in South Africa, which also provides foreign exchange income for the country. The number of people from Lesotho working in the mines showed some increase in the last quarter of 2003, but fell by 3.0 percent year-on-year and ended at 61 424 by the end of 2003.

Positive trends have also been registered in the external trade sector. The current account deficit is expected to narrow to 8.5 percent of GDP in 2004 and 7.4 percent in 2005 as export values increase. However, food imports need to increase to offset the impact of drought conditions.

The local currency, the Maloti, is set at par value with the South African rand. The rand strengthened by 39.2 percent against the US dollar in 2003, averaging R7.56 per US$1; the exchange was R6.7 per US$ at the time of the Mission visit.

2.3 Population estimates

According to the 1996 population census, the total population of Lesotho was then estimated at about 1.86 million. In 2001, the Lesotho Demographic Survey put the figure at about 2.16 million people. This implies a population growth rate of 2.0 percent per annum.[2] According to recent estimates, the average life expectancy has fallen from nearly 60 in the mid-1990s to 38.6 in 2004, mainly from the effects of HIV/AIDS.

[2] Lesotho Bureau of Statistics: Basic Demographic Indicators – 2003. The IMF estimates put the population figure for mid-2002 at 1.8 million.

3. AGRICULTURAL PRODUCTION IN 2003/04

According to 1999 estimates, 57 percent of the domestic labour force of Lesotho was involved in agriculture, with the majority employed in subsistence farming. Despite an Agricultural Sector Adjustment Programme initiated in 2000, diversification and privatization in the sector has yet to become a reality. The limited amount of good-quality arable land, land degradation and a series of droughts have also contributed to continuing decline in the agricultural sector and constrained its capacity to contribute to GDP. Most of the good farming land lies in the northwest Lowlands, where the capital of Maseru is located. Much of the rest of the country is either too mountainous or normally too dry to produce high yields of cereal crops. In addition, many of these areas are characterized by fragile soils, where the pressures of increasing farming and grazing have led to degradation of fields and pastures. Loss of vegetative cover from firewood removal, animal browsing and overgrazing has led to obvious gulley erosion of hillsides, spurring the creation of a Ministry of Forestry and Land Reclamation in 2003.

The principal crops cultivated in summer are maize – which is by far the most important crop nation-wide – sorghum, wheat and beans. In winter, wheat and peas are grown in very small areas in the lowlands. Winter crops are dependent on good end-of-summer rainfall. As the rain has been insufficient in the past two years, production has been even lower than normal.

The livestock sector continues to provide a significant source of rural income, with cattle, sheep and goats equally important. Besides meat, wool and mohair are important sources of revenue. Herd sizes do not appear to be shrinking drastically at present, despite pasture degradation and drought.

3.1 Agro-meteorological conditions

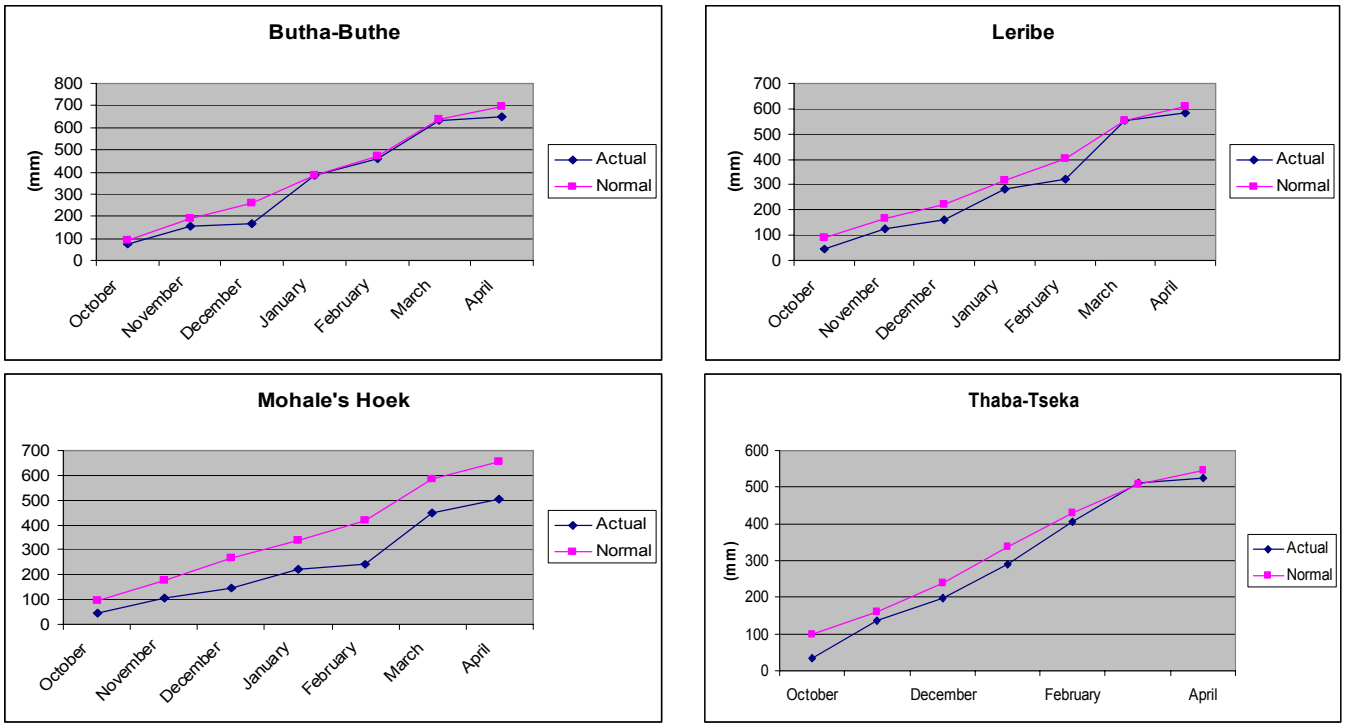
The Kingdom of Lesotho is divided into four main agro-ecological zones: lowlands, foothills, mountains and the Senqu River Valley. Lesotho's weather is extremely variable, ranging from drought to heavy rainfalls, frosts, snow and hailstorms. A combination of lack of arable land, soil erosion, the country's mountainous terrain, overgrazing by cattle, population pressure and increasing HIV/AIDS rates have caused the country's national crop production to decline steadily over the past three years.

Normal seasonal cumulative rainfall in most areas of the country is too marginal for good maize production. The exception is the northern lowlands, where soils show a higher water-holding capacity. Rainfall patterns for Mohale's Hoek, in the south, and Thaba-Tseka, in the mountains, indicate that the 2003/04 season began poorly and that rain was never adequate for good cereal production (see Figure 1). Thus planting was late, and mid-season drought in many cases devastated the maize crop. Sorghum fared somewhat better, but yields were also very low and many sorghum plantings failed as well.

In northern Leribe and Butha-Buthe areas, cumulative rainfall levels approached the normal amount, but this did not occur until January; by that time, most of the damage had been done. The usual pattern observed was that farmers planted their maize with only minimal soil moisture available, which in most cases was insufficient to allow for full and rapid crop emergence. As a result, maize seeds remained in the ground without germinating for up to one month and the resulting crop stands were poor. Most farmers chose not to replant, realizing that the season was late and that the risk of replanting was too great. In the high-production Leribe area, mid-season rainfall was barely adequate, and further yield loss was experienced. December rainfall was highly variable: some areas received adequate quantities and produced average yields, but most areas did not.

The situation for livestock was somewhat more favourable. There was stress on grazing resources at the end of the long dry season, when fodder stocks from the previous year's harvest were at their low point. However, in areas where end-of-season rainfall accumulation reached normal levels, grazing land was able to recover. This was not the case in the southern and some mountain areas, where many watering areas were also too dry.

Figure 1. Lesotho: Cumulative seasonal rainfall comparisons for selected locations (October 2003–April 2004)



Source: Lesotho Meteorological Services.

3.2 Supply of agricultural inputs

The government-subsidized fertilizers that were available for the 2002/03 agricultural season were not available to most farmers for the 2003/04 season. Generally, however, farmers who normally used fertilizers managed to obtain them either from last season's carryover stocks, or from traders – but at higher prices than they paid in the past. Many reported paying nearly twice the subsidized prices. This, along with the risks associated with the late start of the planting season, significantly lowered fertilizer use. Farmers in the lower-yielding areas of the country – especially the mountains – usually do not purchase chemical fertilizers, and there is limited use of animal manures.

Hybrid seed use was also on the decline; many farmers reported using open-pollinated maize and saved seed more frequently than in the past. As was the case for fertilizer use, producers with normally higher-yielding crops still had a tendency to purchase hybrid maize seed.

The other major production cost is tractor ploughing. Many areas of the country rely on animal traction, while in the higher-production areas of Leribe, Berea and Maseru, tractor ploughing services are available. There was a tendency this season to minimize ploughing costs by planting smaller areas. In areas where animal traction is the principal form of ploughing, dry soils were an additional constraint to good and timely planting.

3.3 Area planted

The figures representing areas planted are given in Table 1. The Mission obtained yield and area planted figures from 130 households in all Districts of the country, and have used these data to compare 2003/04 area planted figures – as reported by farmers – with last year's and the five-year average figures.

Mission interviews indicated that the lateness of the rains and the disincentives to production from high prices for seed, fertilizer and ploughing led to some decreases in area planted in the relatively high production areas of Berea and Leribe. In many of these areas rainfall was minimal, but still generally adequate to encourage farmers to plough and plant. In the southern areas of Mohale's Hoek and Qacha's Nek, some fields were left fallow as a result of inadequate rainfall throughout the normal planting season. In these areas, which are already marginal for maize production, successive bad production years have made farmers wary about risking late or dry plantings.

The total area planted to sorghum nationwide was estimated to be higher in 2003/04 than in either of the past two seasons (Table 2). This is to be expected after a poor rainfall year and in a season when rains are late, when farmers will obviously prefer to take less risks by planting a more drought-resistant crop. The wheat area planted was estimated to be similar to last year's. Summer wheat is often grown on the uplands and is not usually in competition with maize and sorghum. The farmers' decision to plant or not is usually based on the ability to plough the field. Seed is saved from year to year and often little fertilizer is used, so there is less risk of losing any money invested with summer wheat than with maize in case of crop failure.

Table 1. Lesotho: Total cereal area ('000 hectares) in 2003/04 compared to 1998/99-2002/023 average

DISTRICT	1998-99	1999-00	2000-01	2001-02	2002-03	5 year average	2003-04	Percent of average
Butha-Buthe	8.3	12.5	6.0	6.6	10.2	8.7	8.2	94
Leribe	36.5	36.6	38.2	36.0	39.6	37.4	29.9	80
Berea	19.9	38.0	31.9	28.7	29.5	29.6	16.0	54
Maseru	38.9	29.6	33.8	26.6	31.8	32.1	14.0	44
Mafeteng	8.9	15.9	43.4	34.1	32.1	26.9	30.7	114
Mohale's Hoek	17.8	8.9	32.0	18.5	19.4	19.3	13.0	67
Quthing	11.0	12.7	11.9	8.4	11.2	11.0	8.9	81
Qacha's Nek	1.6	4.0	5.8	4.8	4.6	4.2	1.9	45
Mokhotlong	9.0	6.0	11.6	12.1	10.8	9.9	12.8	129
Thaba-Tseka	20.9	14.3	15.4	16.4	12.4	15.9	16.8	106
LESOTHO	**172.8**	**178.5**	**230.0**	**192.2**	**201.6**	**195.0**	**152.2**	**78**

Source: Bureau of Statistics.

3.4 Crop yields

Crop yields throughout Lesotho were poor during the 2003/04 season. Much of the south suffered large areas of total crop failure as the maize crop withered in the field. The situation in the mountain areas was somewhat better, but yields were also well below normal and even below those of last year. The high production areas of the northeast, as a whole, also had well-below-average yields, with some patches of near-normal yields.

The Mission's yield data, collected from 130 households in all Districts of the country, was complemented with random crop cuts to allow for an independent confirmation of farmers' reports. These data were used along with government statistics and prior Mission reports to estimate yield and production for the 2003/04 season. Mission field survey data indicate that maize yields, nationally, are on the order of 50 percent of normal and 69 percent of last year's yield.

The maize yields provided in Table 2 indicate the difficulties that were faced by farmers in the southern and far western districts of Mafeteng, Mohale's Hoek, Quthing, Qacha's Nek and Mokhotlong. Though normally not major maize-producing areas, yields this year were significantly lower than normal and even less than the poor 2002/03 season. Berea and Leribe were the only two Districts where yields compared favourably with normal levels, which is not surprising as the soils and weather patterns are generally more favourable in these areas, and higher levels of input use and mechanized ploughing allow for higher production even in poor rainfall years.

Table 2. Lesotho: Area and yield of cereal crops in 2003/04, by district

DISTRICT	Wheat			Maize			Sorghum		
	Area '000 ha	Yield Kg/ha	Prod. '000 tonnes	Area '000 ha	Yield Kg/ha	Prod. '000 tonnes	Area '000 ha	Yield Kg/ha	Prod. '000 tonnes
Butha-Buthe	1.1	440	0.5	5.8	293	1.7	1.3	77	0.1
Leribe	3.5	1 229	4.3	23.0	565	13.0	3.4	147	0.5
Berea	1.4	714	1.0	11.9	630	7.5	2.7	111	0.3
Maseru	1.2	500	0.6	10.9	340	3.7	1.9	105	0.2
Mafeteng	3.4	470	1.6	21.3	80	1.7	6.0	83	0.5
Mohale's Hoek	1.5	400	0.6	7.0	87	0.6	4.5	67	0.3
Quthing	0.4	500	0.2	6.0	133	0.8	2.5	80	0.2
Qacha's Nek	1.2	333	0.4	0.7	286	0.2	0.0	-	0.0
Mokhotlong	4.5	511	2.3	8.1	198	1.6	0.2	500	0.1
Thaba-Tseka	4.4	341	1.5	10.7	300	3.2	1.7	118	0.2
LESOTHO	**22.6**	**500**	**13.0**	**105.4**	**323**	**34.0**	**24.2**	**100**	**2.4**

Source: Bureau of Statistics and CFSAM estimates.

Sorghum yields in Lesotho are generally low because sorghum is relegated to marginal, drought-prone lands. Although many sorghum fields produced a crop in 2003/04 as neighbouring maize fields were wiped out by the drought, the yields were still lower than normal. Although there are areas of Lesotho where sorghum is still commonly used in traditional brewing and for porridge, many sorghum areas have been replaced by maize. In drought years such as the 2003/04 season, farmers rethink their choice of crops, even though maize has become the preferred staple.

Summer wheat, grown in many upland areas, also suffered drought stress. As a result, yields were down across the country. Drought stress during the tillering stage lowered yields and made the burden of weeding even greater. Many of the fields that were observed during the Mission had been invaded by wild oats, which competed severely with the wheat crop. The oats were, however, being harvested as animal fodder.

3.5 Winter wheat

At the time of the Mission, some farmers were preparing fields and planting winter wheat that will be harvested in September/October 2004. Planting of winter wheat normally starts in mid-April, making use of the residual soil moisture and small amounts of rainfall. Sporadic rainfall during April will have helped land preparation and planting operations, although soil moisture levels are not as high as normal in most areas.

3.6 Cereal production in 2003/04

Maize, wheat and sorghum production in 2003/04 are estimated at 34.0 thousand, 13.0 thousand and 2.4 thousand tonnes, respectively. Aggregate cereal production is thus estimated at 49.4 thousand tonnes, less than half of last year's level and approximately one-third of the average level over the past five years. These figures show that there is thus a severe crop reduction this year in Lesotho.

Table 3. Lesotho: Total cereal production ('000 tonnes) in 2003/04 compared to five-year average

DISTRICT	1998/99	1999/00	2000/01	2001/02	2002/03	Five-year average	2003/04	Percent of average
Butha-Buthe	8.3	12.5	4.8	3.7	2.9	6.4	2.3	36
Leribe	36.5	36.6	29.2	31.2	34.3	33.6	17.8	53
Berea	19.9	38.0	25.5	23.2	13.3	24.0	8.8	37
Maseru	38.9	29.6	32.2	23.3	15.1	27.8	4.5	16
Mafeteng	8.9	15.9	31.9	19.1	16.2	18.4	3.8	21
Mohale's Hoek	17.8	8.9	24.6	6.0	14.2	14.3	1.5	10
Quthing	11.0	12.7	9.6	2.8	6.7	8.6	1.2	14
Qacha's Nek	1.6	4.0	2.6	4.5	0.6	2.7	0.6	22
Mokhotlong	9.0	6.0	6.8	10.7	6.2	7.7	4.0	52
Thaba-Tseka	20.9	14.3	9.4	10.1	9.4	12.8	4.9	38
LESOTHO	**172.8**	**178.5**	**176.6**	**134.6**	**118.9**	**156.3**	**49.4**	**32**

Source: Bureau of Statistics; CFSAM estimates.

3.7 Other crops

The area planted to beans increased around the country after the late start to the season. Beans, which form a part of the staple diet, are often intercropped or grown in rotation on a portion of cereal land. Because they are short-seasoned, and because seeds are readily available, additional cereal land left fallow because of drought was planted to beans. Farmers also reported that groundnut production, a relatively minor crop in Lesotho, was down because of the drought. Traditional pumpkins were less affected by the drought than other crops. Irrigated cabbage fields were abundant near water sources, and farmers talked about increasing the area planted this year as an alternative income earner. Small vegetable plots, which are usually grown near the home, were not generally affected by the poor rains. The 2004 winter pea crop may be limited by insufficient end-of-season soil moisture, which will limit ploughing.

3.8 Livestock situation

The majority of rural households own livestock, mainly cattle, sheep and goats. Many households also have a horse, donkeys and chickens. Table 4 shows changes in livestock numbers for the two years for which statistics are available. Data indicate that animal numbers are generally holding steady, with a small increase in the number of cattle and a slight decrease in the number of sheep, goats, horses and donkeys.

Table 4. Lesotho: Change in livestock numbers, 2000/01–2001/02

Species	2000/01	2001/02
Cattle	709 884	732 191
Sheep	1 116 629	1 082 518
Goats	830 258	826 598
Horses	96 738	95 469
Donkeys	179 948	178 895

Source: Bureau of Statistics.

There were reports of significant numbers of livestock losses before the onset of the 2003/04 rainy season. However, with the exception of the dryer southern parts of the country, farmers reported few decreases in overall livestock numbers. By the time of the Mission, rainfall had been adequate enough to re-establish pasture conditions in most of the northern and mountain areas. The situation does, however, call for close monitoring through the dry season as there were some indications of earlier-than-normal end-of-season livestock movement to dry-season grazing areas.

The problem of livestock theft was evoked by both government authorities and farmers. In many cases it appears that well-organized groups steal large numbers of animals from distant grazing areas. Theft is not, however, limited to isolated areas, but also occurs in and between villages, between districts, and across the South African border. Loss of livestock can seriously affect households, not only because of the loss of the animals' monetary value, but also because of their importance in traction for crop production. Poor households with only enough oxen or donkeys to plough their fields can be devastated by such a loss.

4. CEREAL SUPPLY AND DEMAND SITUATION, 2004/05

4.1 Cereal markets and prices

Inflationary pressures eased in 2003 compared to 2002. The inflation rate was estimated at 5.9 percent, year-on-year, in December 2003. The average annual inflation rate in 2002 was 11.9 percent. The decline in inflation rate was driven mainly by a slowdown in food prices, which has the largest effect on overall inflation, constituting nearly 40 percent of the consumer price index (CPI) basket. The appreciation of the currency was the main influence in the deceleration in food-price inflation. In the early months of 2004, prices of cereals, particularly bread and maize meal, began to climb slowly. The monthly price increase in January, February and March 2004 for bread and cereals was 1.7 percent, 1.5 percent and 1.3 percent, respectively. However, these prices are still lower now than at the same time last year.

Import prices are rather low at the regional level. Prices in South Africa, the source of about 80 percent of Lesotho's imports, will continue to be the main influence on inflation in 2004/05. South African inflation is now expected to edge up during the remainder of 2004, putting upward pressure on domestic (Lesotho) prices.

4.2 Cereal supply/demand balance, 2004/05

The forecast of the cereal supply-demand situation (Table 5) for the marketing year 2004/05 (April/March) is based on the following assumptions and Mission observations.

- Opening stocks were provided by the Ministry of Industry, Trade and Marketing for the current marketing year. The closing stocks are based on two weeks of maize and one month of wheat consumption.
- The mid-marketing year 2004/05 population is estimated at 2 264 168, using a growth rate of 1.2 percent.
- Per capita apparent consumption rates per year are 127 kg of maize, 42 kg of wheat and 12 kg of sorghum.
- "Other uses" covers essentially post-harvest losses and seed use. These are estimated at 6 percent for maize, sorghum and wheat.

Table 5. Lesotho: Cereal balance sheet for 2004/05 ('000 tonnes)

	Maize	Wheat	Sorghum	Total
Domestic availability	**48.6**	**41.2**	**2.4**	**92.2**
Opening stocks	14.6	28.2	0.0	42.8
Production	34.0	13.0	2.4	49.4
Total utilization	**301.5**	**111.9**	**27.3**	**440.7**
Food use	287.5	95.1	27.2	409.8
Other uses	2.0	1.0	0.1	3.1
Closing stocks	12.0	15.8	0.0	27.8
Import requirements	**252.9**	**70.7**	**24.9**	**348.5**
Commercial imports	217.2	70.7	16.9	304.8
Food aid	35.7	0.0	8.0	43.7
- of which, food aid in stock and pipeline	14.3	0.0	8.0	22.3
- **Uncovered deficit**	**21.4**	**0.0**	**0.0**	**21.4**

Table 5 shows a cereal import requirement of 348 500 tonnes. The Mission estimates that Lesotho has the capacity to commercially import about 300 000 tonnes of cereals, leaving about 43 700 tonnes as required of external food aid for the vulnerable population. Taking into account cereal food aid in WFP stocks and in pipeline of about 22 300 tonnes (as at 1 April 2004), the uncovered deficit for which international assistance is required is estimated at about 21 400 tonnes.

5. FOOD SECURITY AND VULNERABILITY ASSESSMENT

5.1 Main factors determining rural food security in Lesotho

In Lesotho high inequality and absolute levels of poverty exist; some 60 percent of the population falls below an established poverty line. Most live in rural areas and approximately 80 percent fall below the minimum thresholds of access to basic services and levels of access to food and income. The 2002/03 regional food crisis in the southern African region resulted in increased food prices and in turn led to an erosion of households' purchasing power. However, since agricultural incomes form only part of all household income, families in all livelihoods and agro-ecological zones are affected by the increase of prices in Lesotho. High unemployment (40 percent for males and 57 percent for females) is also exacerbating the problems of food insecurity in all of the zones.

According to the Vulnerability Assessment Committee (VAC), household purchasing power has eroded with high price inflation of staple foods. This has also made it harder for households to procure drugs and pay for visits at health centres. The number of child-headed households and orphans is steadily increasing (WFP/UNICEF Nutrition Review, 2004) and the capacity to produce food is declining because of lack of adult labour. Apart from the HIV/AIDS epidemic, many households can no longer afford school fees, which has led to the withdrawal of children from school after grade four when the governmental Free Primary Education Programme ends (VAC 2003, 2004, confirmed by key informants).

Government policies and actions

At the beginning of the crisis this year the government set up a Famine Relief Programme which, among other initiatives, provided maize meal and fertilizer subsidies. However, inputs arrived late, which led to late

planting, thus affecting household yields negatively. Thus it was difficult for households to pay back credit. At the time of the mission, farmers were confused about their obligations and duties in the programme. Apart from the Famine Relief Programme, the Government of Lesotho and other agencies took on a number of additional responsibilities in response to the acute situation affecting the country, including:

- expanded commercial imports of staple foods;
- expanded subsidies on maize meal;
- seed distribution programmes by the Lesotho Red Cross;
- FAO seed procurement and distribution;
- UNICEF Early Childhood Care and Development seeds and tools home gardening;
- DFID/CARE International Livelihoods and Recovery through agriculture programme; and
- expanded programme of school feeding schemes (Source: *Lesotho Livelihood Based Vulnerability Assessment*, April/May 2003).

Since July 2002, Lesotho has been receiving emergency food assistance through a WFP regional emergency operation. Between July 2003 and May 2004, WFP Lesotho distributed 30 072 tonnes of cereals and other commodities to a peak number of 426 173 people.

5.2 Method of assessment

The estimates of emergency food needs and caseloads in this report are based on the previous and the latest VAC reports from 2002, 2003 and 2004, as well as on data collected from formal and informal interviews and discussions with various stakeholders in the rural and urban areas during the two-week Mission. The Lesotho VAC 2004 defined six livelihood zones within the four agro-ecological regions (lowlands, foothills, mountains and Senqu River Valley); the lowlands were subdivided further into two zones, the more productive northern part and the dryer and hotter southern section (see Table 6). Small pockets of peri-urban areas surround some of the main towns in the lowlands, which form the sixth livelihood zone.

Table 6. Lesotho: Agro-ecological and livelihood zones and administrative districts

Agro-ecological zone (WFP)	Livelihood zones (VAC)	Administrative districts
Lowlands	Northern lowlands Southern lowlands	Butha-Buthe, Berea, Maseru, Leribe Mafeteng, Mohales Hoek
Foothills	Foothills	Mafeteng, Butha-Buthe, Leribe, Maseru, Mohale's Hoek, Berea
Mountains	Mountains	Leribe, Quting, Mokhotlong, Butha-Buthe, Maseru, Mohale's Hoek, Qatcha's Nek, Thaba-Tseka
Senqu River Valley	Senqu River Valley Peri-urban	Quting, Mohales Hoek, Qacha's Nek

Lesotho VAC 2004 has further identified three distinct livelihood profiles or wealth groups (poor, middle, better off); people in these groups share similar patterns of access to food and income and similar access to markets. Equally, livelihood patterns vary greatly from one zone to another according to local factors such as climate, soil, etc. Comparisons are made with the baseline data collected in April/May 2003. This approach makes it possible to foresee the effect of crises on people's access to food, and whether and what type of assistance might be required to relieve the situation (VAC Report, March 2004).

The main assessment tool was a checklist addressing two main aspects: crop production and supply; and household access to food and vulnerability. All questions referred to this year, last year and a "normal" year, so as to identify any recent changes and their magnitude. The Mission conducted randomly selected semi-structured interviews with rural households along with crop cuts for cross-checking. Apart from the interviews, secondary data was collected from various Ministries, the Bureau of Statistics, Disaster Management Unit, UN Agencies, and other sources.

The *limitations of such assessments* are that only preliminary Lesotho VAC findings for 2004 were available at the time the CFSAM; more analysis needs to be carried out to link the livelihood approach and programming of activities; and the lack of access to, and inconsistencies in, demographic and agricultural data made analysis difficult. This situation needs to be addressed in order for VAC and CFSAM assessments to be more effective.

5.3 General vulnerability indicators and current situation

Broadly speaking, the agricultural sector in Lesotho is facing a long-term decline from soil erosion, land degradation, lack of proper land maintenance and cropping practices, inefficient use of improved seeds, lack of inputs and inefficient extension services (VAC 2003). While cattle are not traditionally kept for consumption, the three consecutive years of bad agricultural production and food insecurity have resulted in an increase in animals being slaughtered for food and social obligations such as funerals. Thus important assets are being depleted, namely draught power as well as the use of livestock products for people's livelihoods. Given these recent trends and observations, it is likely that incomes from the livestock component of livelihoods will further decline in 2004.

Income sources were found to vary substantially within districts and zones. Very few households in the mountainous zones reported any kind of formal or regular income sources, either through piece-work or formal employment. The majority of households in the southern lowlands, however, reported some form of income, often through formal employment (i.e. mining) or petty trade across the border in South Africa. This concurs with the VAC Food Economy profiles, which indicated a higher proportion of income from trade in the southern as compared to the northern lowlands. Nationally, between 1991 and 2001 the number of people working in South Africa declined from 122 000 to 60 000. The recent retrenchment of workers from South African mines has lead to increasing unemployment within the country and reduced mining income by approximately 50 percent. Currently only 15 percent of eligible men earn income from mining (VAC 2003). While the numbers of individuals employed in the mines has declined in recent years, the Mission also noted that many people are employed in other areas such as the service sector or on South African farms. The introduction of a higher minimum wage in South Africa has led to an increase in non- South African labour at a lower cost to the employer. It is remains to be seen whether remittances that support a large number of households in Lesotho will be sufficient to overcome increased food shortages and higher prices. In addition, there is evidence that households have managed to partially offset loss of mining income by working in other sectors of the South African economy. This indicates that they are strengthening their capacity to cope with the dwindling agricultural sector in Lesotho, which for many rural households is becoming a part-time activity. The main vulnerability indicators and findings by agro-ecological zone are shown in the Appendix.

5.4 Coping mechanisms

The coping strategies of the households interviewed included beer brewing, firewood collection, any kind of piece-work, share-cropping, consuming wild fruits and depending on better-off households. Recurring poor agricultural production combined with other factors such as poverty and HIV/AIDS raise the question of how much and for how long these types of coping can be maintained.

The VAC conducted in May 2004 found that the wealth group classified as "middle" decreased substantially compared to last year in all livelihood zones, which in the long run will result in an increasing number of poor households and will lower overall purchasing power. However, the Mission found that households were able to cope by resorting to a combination of household-level strategies to compensate for shortfalls. Labour is a key factor for improving food access and according to Cook [3], 65 percent of poor Basotho households have someone in the family earning wages. The current mission found that 56 percent of the sample of interviewees had access to piece-work/casual labour or petty trade, and 33 percent had someone engaged in mining or other full-time work. According to the VAC findings, the most common and prevalent coping mechanisms for alleviating food shortages at this time include additional employment, mainly piece-work, and additional livestock sales. Food stocks are no longer available because of consecutive poor harvests.

While food aid is not a coping mechanism, over the past two years it has prevented households from resorting to "negative" coping mechanisms. The Mission did not witness the stress indicators that are common in emergency situations such as high malnutrition, mass migration, depletion of assets, prostitution, etc. However, observations of increasing livestock and unprecedented crop theft are considered indications that an increasing number of households have depleted the usual means of obtaining food for themselves. Some 23 percent of the sample said they were victims of livestock theft. Many interviewees reported food aid to be their "coping mechanism"; without this they would have been worse off. Future operations will have to be aware of the consequences of increasing food aid, as it could lead to further dependency.

[3] Kristy Cook (2002), Lesotho Food Security and Vulnerability Analysis: A Secondary Data Approach. WFP.

5.5 Systematic analysis of household coping mechanisms

The VAC Report 2003 suggests that household coping mechanisms should be analysed and supported more systematically. Seeking enhanced employment opportunities, expanding livestock and dairy product sales, facilitating household vegetable production and other strategies have been found to improve households' capacity to confront crises and food/income deficits. Supporting, developing and securing these mechanisms should be made a priority in order to reduce long-term vulnerability.

5.6 HIV/AIDS and health and nutritional status

According to UNAIDS, the estimated HIV/AIDS adult prevalence in Lesotho is 31 percent. In 2001, life expectancy at birth was 38.6 years, almost half of what it was in 1990. The high prevalence of HIV/AIDS may have contributed considerably to this dramatic decline. Women in the country shoulder the heaviest burden of this disease. It is estimated that 38.1 percent of women aged 15–49 years carry the HIV virus, whereas the infection rate for men in this age group is 17.4 percent. According to the UNAIDS Global Report on HIV/AIDS (2002), there are currently 360 000 people (adults and children) living with HIV/AIDS in Lesotho. The number of orphans (0–14) from AIDS has risen from 73 000 (2001) to 93 000 (WFP/UNICEF Nutrition Review, 2004), with a total population of 137 000 orphans in the country. The VAC in April-May 2003 found that households with chronically ill members are found mainly in the highlands, followed by the foothills, lowlands and the Senqu River Valley.

The Government of Lesotho has declared HIV/AIDS a national disaster and set a goal of cutting the adult prevalence rate from 31 percent to 25 percent by 2008. In late 2003 an autonomous National Aids Commission replaced the Lesotho AIDS Programme Coordinating Authority, which had insufficient resources and not enough influence to effectively implement programmes. The government aims to design a cost-effective plan by June 2004 to provide anti-retroviral drugs to the population at affordable prices. In March 2004, universal HIV/AIDS testing for citizens of Lesotho was launched, but the first three dedicated testing centres were operational only at the end of April. The government's goal is to provide testing facilities in the 18 hospitals throughout the country. The international donor community is also providing valuable support in the fight against HIV/AIDS, headed by the Geneva-based Global Fund, which is donating US$34 million to be spent on HIV/AIDS and tuberculosis (TB) programmes for the next five years. The objective is to provide 28 000 HIV/AIDS infected people with anti-retroviral drugs by the end of 2006. The first disbursement of this grant, amounting to US$12.5 million, has already been released. Other donors include, but are not limited to, the Irish Government, the United Kingdom's Department for International Development (DFID) and the United States. Efforts are under way for the World Bank to assist Lesotho to strengthen national capacity to make effective use of and account properly for these funds.

The information regarding the impact of HIV/AIDS on agriculture is rather anecdotal, and the mission therefore suggests more in-depth studies to highlight linkages between food insecurity and HIV/AIDS, along with the necessary awareness and education campaigns. According to the Lesotho VAC, some of the crop production declines over the past two years must be attributed to the effects of the HIV/AIDS epidemic, and it can be stated that the disease is certainly undermining agricultural prosperity in Lesotho.

The Lesotho Livelihood-based Vulnerability Assessment conducted in April–May 2003 found some correlations between household living with a chronically ill person and other food security factors. The following observations were made: households with chronically ill members (23 percent of the total) and those without ill members engage in the same type of economic activities with more or less the same number in all the food economy zones. However, 40 percent of the households with chronically ill members (9 percent of total) reported 0 kg of harvest in all the food economy zones, and 49 percent of households with chronically ill members (11 percent of total) can afford only 2 meals per day.

The mission found great reluctance among people to freely speak about the issue of HIV/AIDS. A few health centres, however, reported an increase in voluntary testing in recent months, the reason being the prospect of subsequent food assistance. Much effort will be necessary in Lesotho to reduce the negative and destructive stigma that has been attributed to HIV/AIDS.

5.7 Nutrition

The UNDP *Human Development Report (2001*) reports that child malnutrition indicators for Lesotho show that between 13 and 16 percent of children are undernourished (weight compared to age is lower than the appropriate reference population). This figure is not high in comparison with many African countries;

however, Lesotho's stunting rate taken separately is almost as high as for many of the poorest African countries. The high prevalence of stunting in Lesotho has been interpreted as the result of significant lack of sufficient nutritious food. One interpretation of these data is that children in Lesotho eat enough to gain weight, but not enough to be converted into growth (Cook, 2002) There are wide regional disparities in malnutrition rates, with higher levels in the mountain areas (UNICEF, May 2004).

The National Nutrition and EPI Cluster Survey (2002) analysed three malnutrition indicators and found that stunting was high (30 percent), wasting low (3.2 percent) and underweight medium (15.4 percent) compared to World Health Organization standards.

Analysis by zone, as seen in Table 7, shows the mountain zone as the most affected for all three nutritional indicators, with a prevalence of 37.5 percent, 4.1 percent and 21.3 percent for stunting, wasting and underweight, respectively. The lowest rates were found in the urban areas.

Table 7. Lesotho: Prevalence of malnutrition by economic zone

Economic zone (2002)	Stunting (%)	Wasting (%)	Underweight (%)
Lowlands	28.4	3.5	13.7
Foothills	35.3	2.9	19.5
Mountains	37.5	4.1	21.3
S. River Valley	31.6	3.1	15.4
Urban	26.3	2.3	11.4

Source: National Nutrition and EPI Cluster Survey, October 2002.

5.8 Estimation of population in need and emergency food aid requirements

The VAC projects that a total of 948 000 people will face food and/or income deficits of varying amounts in the near future, and that approximately 43 000 tonnes of food will be needed to meet the entire deficit for the whole population for the entire year. Table 8 shows the number of poor people in each zone estimated to be in need of assistance.

Table 8. Lesotho: Food aid requirements by livelihood zones

Zone	Poor population affected	Deficit (tonnes)
Southern lowlands	120 120	8 020
Northern lowlands	204 450	1 917
Foothills	200 680	9 148
Mountains	200 680	6 134
Senqu River	174 000	15 754
Peri-urban	48 380	2 773
Total	**948 310**	**43 746**

Source: VAC 2003/04; CFSAM findings May 2004.

Target population

It should be noted that these food-aid requirements are annual needs; further monitoring and analysis are thus required to identify the target populations in the geographic areas as well as in the socio-economic groups. The objective will be to preserve households' livelihoods. Lesotho VAC has developed profiles of the households in each zone (see Appendix), and these should be used to better identify the poor households, and households in the other economic groups that have also been affected, as well as to determine appropriate rations and/or the timing of an intervention to address food deficits. These are :

- households that have been affected by the poor agricultural season, have no employment and no livestock;
- households with chronically ill members in the family, child or female-headed households;
- households that have been forced or will be forced to sell or give up crucial assets (tools, children in school, etc.) in return for food, which will leave them more vulnerable and less equipped to confront crises in the future.

5.9 Possible strategies for food assistance

Food assistance should be carefully targeted and should incorporate strategies that help to reduce households' chronic vulnerability in the long term. This strategy is also the objective of the planned PRR Operation scheduled to be implemented at the beginning of 2005 when the current EMOP phases out. Current WFP activities in Lesotho involve *Targeted Food Distribution and Vulnerable Group Feeding* (TFD/VGF) activities, a great number of which are being implemented by means of home-based care (HBC). According to the recent UNICEF/WFP Nutrition Review in Lesotho (2004), HBC appears to be an excellent way of targeting people living with HIV/AIDS (PLWHA) in areas where community-based structures have already been developed and effective HIV/AIDS communication and education strategies are in place. HBC is seen by the majority of the NGOs in the country as an entry point into the community from which other food security and HIV/AIDS related programmes can subsequently be developed. Further collaboration with these programmes would clearly provide the opportunity to learn lessons so as to inform future programme development, particularly in those areas not supported by NGO activities at the present. TFD/VGF also targets orphans and vulnerable children, addresses nutrition and maternal child health care (MCH), and is incorporated in the ongoing School Feeding Programme by emphasizing the support to vulnerable children. The Mission strongly recommends that the TFD/VGF project be continued.

Food-for-Work and Food-for-Training/Education

Activities promoting small animal husbandry would make dairy products more readily available at the household level, which in turn would improve people's diet substantially. HIV/AIDS infected individual would greatly benefit from improved protein quality. This finding was the outcome of WFP technical consultations on nutritional requirements of HIV-infected people in Rome last year. Given the high HIV/AIDS prevalence in Lesotho, such an approach should be further considered.

Furthermore, farmers should be given advice and information on more effective farming systems and cropping practices. Extension workers attached to District Agricultural Offices are not well-informed at present and are therefore unable to give advice. Demonstration farms (3–5 ha in size) should be developed within each district. These units should be used to introduce sustainable farming concepts (rotations with grain and forage legumes, inter-cropping, mulching and manuring) for improved crop, soil and rainwater management for farmers and extension workers. Visual impact is important; farmers need to see the benefits and advantages for themselves, and extension workers need to have concrete and proven technologies to present to their farmers. Once the soil, which at present is a deteriorating, finite resource for agriculture in Lesotho, has been returned to health, the farmers will be able to produce more maize from a smaller area, rotate with other crops and manage a sustainable system for the future.

Good examples of integrated projects that combine agriculture, livestock, fisheries, and water and environmental management already exist. They should be used as models for neighbouring areas, and incentives for communities to develop similar projects.

Given the widespread vegetable production in Lesotho, it would be advantageous to introduce simple technology and training to preserve or dry surplus vegetables for consumption later in the year.

5.10 Promotion of health centre gardening projects

With the increasing number of HIV/AIDS patients, orphans and people suffering from malnutrition, the establishment of hospital gardens should be encouraged and supported. One example is the Paray Health Centre in Thaba-Tseka. The project provides income-generating activities, with the objective of creating a reliable source of food for vulnerable populations. External support could include the provision of improved seeds and training on crop diversification, beneficial crop husbandry practices and so on for maximum success.

5.11 Overview of non-food needs

The Livelihood Vulnerability Monitoring Report conducted by the VAC in March 2004 suggests that food aid should not be the automatic and only answer for vulnerable populations affected by food deficits in Lesotho. It recommends that coherent livelihood promotion programmes need to be established for the long term.

Programmes should focus on measures that increase appropriate agricultural, livestock and non-food production. The generation of employment opportunities in the most vulnerable areas of the country should be a high priority. These opportunities could include the following:

- water catchment control combined with irrigation;
- afforestation;
- fisheries;
- Peace Corps rabbit project, pigs and chickens;
- low-technology irrigation systems for higher-value crops.

It will be necessary to establish effective linkages with other agencies for technical assistance in this area. WFP has already discussed these projects with FAO to provide non-food inputs such as seeds and tools for the establishment of nurseries.

APPENDIX

MAIN VULNERABILITY INDICATORS/FINDINGS BY AGRO-ECOLOGICAL ZONE

Lowlands

Livelihood patterns

The lowlands *predominantly* rely on home-grown food crops, paid employment, cash-crops and livestock for their food consumption and income. The north is characterized by the most productive and best-watered arable lands in the country. The poor are predominantly dependent on purchases that account for 48 percent of the total number of possible food sources. They are also highly dependent on local wage employment and petty trade as a source of income; they generally do not own any livestock. The better-off segments, on the other hand, earn 70 percent of their income elsewhere, often in South Africa. They rely mainly on their own food crops and their own milk/meat products which provide them with up to 70 percent of their total food needs. In the northern lowlands, better-off households own a substantial number of cattle, sheep and goats.

Current situation

In 2004, crop production (including cash crops) in the southern parts decreased by 60–80 percent compared to the baseline in 2003. The northern areas experienced a decrease of up to 50–60 percent compared to average levels. This drop particularly affected better-off households in the northern lowlands, who rely up to 55 percent on crop production as their source of food. Prices of cereals have increased up to 20 percent in the south and 25 percent in the north. The increase puts poor households into a difficult situation because of their reliance on purchases as the main source of food. Unemployment is a major problem in the lowlands. The recent retrenchment of workers from South African mines has greatly decreased remittances entering the country, in particular in the southern lowlands. Unemployment rates in Lesotho have increased and the low agricultural yields have further exacerbated piece work/casual labour availability in the area. Employment opportunities have decreased by up to 25 percent.

Foothills

Livelihood patterns

Livelihoods are more agriculturally orientated in this region as movement is limited by time and/or cost. Households here have their own food crops, and meat/milk consumption comprises a large part of households' total food. The better-off usually obtain 75 percent of their food from their own farms, whereas the poor remain dependent on purchases. Of all economic groups, the poor also rely the most on local wage employment as a source of income. The better-off households earn 70 percent of their income through formal employment, usually in South Africa.

Current situation

Crop production this year was found to be only 20 percent of normal production, including for cash crops, and has thus become an unreliable source of food for all three economic groups, especially for the better-off because of their heavy reliance on their own production. Prices have increased up to 15 percent in the foothills. Similar to with the other zones, poor households suffer the most from these increases since they rely more on purchased food than home-grown crops. Employment opportunities have steadily declined by 50 percent compared to normal. This is a major constraint for better-off households, which have been relying on remittances from formal employment (i.e. mainly mining work) in South Africa. Reductions of up to 50 percent in livestock compared to the normal have been observed in this area where cattle, sheep and goats play a crucial role in household livelihoods.

Highlands

Livelihood patterns

This area is the least densely populated part of the country, and communities tend to be much more isolated from services and markets. The four main elements in this food economy zone are food crops, livestock, non-food production and cash crops. Livestock plays the most crucial part especially for the middle and better-off wealth groups, who provide 80 percent of their food needs from their own food crops and their own

milk/meat products; they also derive 40 percent of their from livestock. The poor, however, are required to rely on numerous sources of food access, and food purchases accounts for 60 percent of their total food access. Their own food crops and own milk/meat products normally provide 17.5 percent of the total. Furthermore, the poor usually receive 15 percent of their food needs via gifts and outside assistance.

Current situation

No changes in prices have been observed. Due to the poor agricultural season, crop production decreased significantly as a source of food compared to normal for all three economic groups. A decrease of up to 80 percent, including for cash crops, was observed this season. In addition, wild foods are much less available than usual, and gifts and relief from community networks for the poor have decreased by 60 percent compared to a normal season. No major change in livestock was observed.

Sengu River Valley

Livelihood patterns

The four main elements in this food economy are food crops, paid employment, cash crops and livestock. As with the other zones, the poor generally rely on purchasing their food, which accounts for 60 percent of their total sources. They derive less than 20 percent of their cash income from cash crops and livestock sales, and their main cash earning activities focus equally on trade, non-food production and employment. Another important source of food has been food assistance and community welfare systems, especially for the poorer households. The better-off earn more than 60 percent of their income from cash crops and livestock sales.

Current situation

Crop production is the lowest in the valley compared to the other zones; it is estimated this year at only 10 percent of normal production seasons. Crop production has therefore become a highly unreliable source of food for all three economic groups, with an estimated deficit of up to 27 percent. Prices have increased by only 5 percent and should thus not have produced a significant negative effect on the population in this area. Livestock has been badly affected by the crisis, with a decrease of 50 percent compared to normal. Employment has drastically decreased by 75 percent compared to normal.

This report has been prepared by Shukri Ahmed, Noel Beninati, Owen Calvert and Lisa Biederlack under the responsibility of the FAO and WFP Secretariats with information from official and other sources. Since conditions may change rapidly, please contact the undersigned for further information if required.

Henri Josserand
Chief, GIEWS, FAO
Fax: 0039-06-5705-4495
E-mail: giews1@fao.org

Mike Sackett
Regional Director, ODJ, WFP
Fax: 0027-11-5171642
E-mail: Mike.Sackett@wfp.org

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