The impact of food aid on food markets and food security in Malawi

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<th>Description</th>
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<tbody>
<tr>
<td>ADMARC</td>
<td>Agricultural Development and Marketing Corporation</td>
</tr>
<tr>
<td>FAO</td>
<td>Food and Agricultural Organisation of the United Nations</td>
</tr>
<tr>
<td>IHS</td>
<td>Integrated Household Survey</td>
</tr>
<tr>
<td>MVAC</td>
<td>Malawi Vulnerability Assessment Committee</td>
</tr>
<tr>
<td>NFRA</td>
<td>National Food Reserve Agency</td>
</tr>
<tr>
<td>PVA</td>
<td>Malawi Poverty and Vulnerability Assessment</td>
</tr>
<tr>
<td>SGR</td>
<td>Strategic Grain Reserves</td>
</tr>
<tr>
<td>WFP</td>
<td>World Food Programme of the United Nations</td>
</tr>
</tbody>
</table>
Executive summary

In 2006 the Regional Network for Equity in Health in east and southern Africa (EQUINET) and the Health Systems Research Unit of Medical Research Council (MRC), South Africa commissioned a series of country case studies on existing food security and nutrition programmes in the region that demonstrate good practice in health systems promotion of food sovereignty and equity. This report outlines one of the case studies.

Malawi’s greatest developmental challenges over the past 10 years have been its high levels of poverty, recurring food insecurity and widespread malnutrition. All three of these social phenomena are linked because poorer households cannot buy sufficient food for their needs, cannot get a suitable income from their own agricultural production, and suffer from malnutrition as a result. In response to the crisis, levels of global food aid to Malawi have increased and food aid has become a key way to address food insecurity and malnutrition in the country.

Food aid takes one of several forms: programme food aid, non-project food aid, project food aid and relief food aid. Historically, relief food aid has made up the largest proportion of food aid. Food aid has been mostly imported, with small amounts being procured from domestic markets. In this minor way, it has affected how domestic food markets operate, depending on the type of food aid and the mode of delivery. This paper explores the effect of food aid on Malawi’s food security and its domestic market. Our main concern is to highlight the fact that food aid interventions also impact on domestic food markets. In other words, future interventions must be designed and implemented in a way that takes domestic market operations into account.

According to various studies, the impact of food aid and food imports on domestic markets (in terms of market prices and private sector participation) varies from year to year, depending on the size of the food gap, the involvement of the government and the timing of imports and food aid. In some years, the level of private sector participation in supplying domestic food demands through importation increased, while in other years, direct government importation and large inflows of food aid limited private sector involvement and distorted market prices.

Some studies found evidence of market distortions arising from increasing food aid. For example, freely available humanitarian food aid has been found to reduce the demand for commercial maize, resulting in unintended excess stocks of commercial maize in government outlets (Agricultural Development and Marketing Corporation and Strategic Grain Reserves). This dampened consumer prices for the year and also lowered producer prices for the next maize harvest.

The increasing importance of food aid in promoting food security in Malawi means that the government needs to take a more cautious approach: it should ensure that food aid brings the needed benefits, without compromising the domestic food market at the same time. This paper offers recommendations for future policies and programmes, which are summarised below:

- **The need for a food aid policy:** Although a lot of food aid has been received over the years for relief and development activities, Malawi has no explicit policy for food aid, except for some key national policy frameworks. There is need for this food aid policy, which should take into consideration the significant role of food aid and the need to have a functioning domestic market.
• **Moving towards social protection:** The chronic nature of food insecurity calls for more than just relief food aid. Malawi needs a social protection programme that can respond to both transitory and chronic food insecurity, especially for the most vulnerable population groups. This social protection programme needs to be an integral part of Malawi’s development strategies and poverty reduction programme. It could help with the implementation of alternatives to food aid such as cash-based transfers and input programmes.

• **Developing functional markets to improve household food security:** The studies reviewed by this paper have shown that continued government involvement in commercial maize and food aid importation has a negative impact on the domestic market, especially on private sector participation. The government needs to get private stakeholders involved at all levels of the market by providing the necessary technical and financial support, and by directly engaging the private sector in food procurement, distribution and retailing. It needs to provide adequate and timely market information to all players so that they can make decisions and participate actively. It could also generate better, more reliable marketing data that it and the private sector could use for making important decisions.

• **Using food aid to improve household food security:** Food aid in Malawi has been used to respond to food crises that have affected the country in recent years, such as those in 2002/2003 and 2005/2006. Food aid in these particular instances was used to meet the affected people’s food security requirements. Food aid has also been used to address the needs of food insecure households, even in years of no national deficit. While the government and donors may manage to identify which food must be distributed to whom, they still need to use aid sustainably and efficiently in order to improve household food security and reduce market distortions. Information about who is most affected, where they are located, their numbers and the extent of the disaster or food crisis is crucial in the targeting process. For food aid to be provided only to those most in need, there is need for proper targeting using appropriate national and international standards and practices. The Malawi Vulnerability Assessment Committee (MVAC) has proven to be most useful in providing analytical information that can be used to identify vulnerable populations that need to be targeted. The MVAC should be strengthened so that its activities are implemented on time in order to ensure synchrony with the national planning or budgeting process so that appropriate food security interventions are systematically planned.
1. Introduction

In 2006 the Regional Network for Equity in Health in east and southern Africa (EQUINET) and the Health Systems Research Unit of Medical Research Council (MRC), South Africa commissioned a series of country case studies on existing food security and nutrition programmes in the region that demonstrate good practice in health systems promotion of food sovereignty and equity. This report outlines one of the case studies.

Malawi’s greatest developmental challenges over the past 10 years have been its high levels of poverty, recurring food insecurity and widespread malnutrition. All three of these social phenomena are interlinked because poorer households cannot buy sufficient food for their needs, cannot get a suitable income from their own agricultural production, and suffer from malnutrition as a result. In response to the crisis, levels of global food aid to Malawi have increased and food aid has become a key way to address food insecurity and malnutrition in the country.

1.1 Poverty and food insecurity in Malawi

Malawi is a small landlocked country in Southern Africa bordered by Tanzania to the north, Zambia to the west and Mozambique to the east and south. The country has a surface area of 118,500 km² and over a fifth of the total land area is made up of Lake Malawi. The estimated population for 2005 was about 12.3 million with an annual growth rate of 2.2%.

Recent integrated household surveys have shown that the country’s poverty levels have remained high and widespread over the past ten years. The 2005 Integrated Household Survey (IHS) indicates that about 52% of the population are poor and 22% are ultra-poor. The 1998 IHS found that 54% of the population were poor, while 23.6% were in the ultra-poor category. Figure 1 below compares the two scenarios from 1998 and 2005. To interpret this figure, note that the poor are defined as those individuals with income below US$182.5 per person per year (below the poverty line) and the ultra-poor are those below the income level of US$113 per person per year. Poverty lines are calculated according to ‘household consumption expenditures as a proxy for income’.

Figure 1: Comparison of poverty and ultra-poverty in 1998 and 2005

(Source: Malawi Govt/World Bank [2006], Malawi Poverty and Vulnerability Assessment)
For the poor, food expenditure comprises over 60% of their expenditure. The majority of Malawi’s population (80%) lives in rural areas, where poverty is greater, especially in the southern and central regions of the country. Recent studies have shown that rural areas continue to show much higher poverty levels than urban areas. The majority of these rural poor survive mainly on agriculture (subsistence agriculture), with few sources of income from elsewhere.

Agriculture is not only a source of income, but it plays a crucial role in food security and poverty at household level in the rural areas. The PVA (2006) highlights that ‘the poor and food insecure households are most dependent on agricultural income sources, deriving almost three quarters of total income from agriculture’. Poverty is therefore directly linked to food insecurity in Malawi, with poorer households suffering from greater food insecurity than others, as they are less able to obtain sufficient food and income from their agricultural production. This problem ultimately leads to malnutrition.

Food insecurity, poverty and malnutrition are closely linked to one another in Malawi. Food insecurity is one of the leading causes of malnutrition. Other causes include infections and poor nutritional practices. The International Conference on Nutrition (ICN) held in Rome in 1992 identified poverty and lack of education as the primary causes of hunger and malnutrition and consequent death in most developing nations.

1.2 Malnutrition in Malawi

Over the past 10 years in Malawi, high levels of poverty and food insecurity have been matched by chronic and acute malnutrition. According to Malawi’s Demographic and Health Surveys (DHS), close to half of all children under the age of five are stunted in growth. In addition, the levels of stunting and underweight have remained high over the years. Refer to Table 1 for more details.

<table>
<thead>
<tr>
<th>Nutrition-related indicators</th>
<th>2004</th>
<th>2000</th>
<th>1992</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stunting (%)</td>
<td>48.0</td>
<td>49.0</td>
<td>49.0</td>
</tr>
<tr>
<td>Wasting (%)</td>
<td>5.0</td>
<td>6.0</td>
<td>5.0</td>
</tr>
<tr>
<td>Underweight (%)</td>
<td>22.0</td>
<td>25.0</td>
<td>27</td>
</tr>
<tr>
<td>Infant mortality (per 1,000 live births)</td>
<td>76.0</td>
<td>103.8</td>
<td>122.7</td>
</tr>
<tr>
<td>Under-five mortality (per 1,000 live births)</td>
<td>133.0</td>
<td>188.6</td>
<td>219.7</td>
</tr>
<tr>
<td>Vitamin A deficiency:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-school children (%)</td>
<td>59.2</td>
<td>No data</td>
<td>No data</td>
</tr>
<tr>
<td>School-age children (%)</td>
<td>38.3</td>
<td>No data</td>
<td>No data</td>
</tr>
<tr>
<td>Prevalence of anaemia:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-school children (%)</td>
<td>80.0</td>
<td>No data</td>
<td>No data</td>
</tr>
<tr>
<td>School-age children (%)</td>
<td>22.0</td>
<td>No data</td>
<td>No data</td>
</tr>
<tr>
<td>Maternal mortality (per 100,000 live births)</td>
<td>984.0</td>
<td>1120.0</td>
<td>620.0</td>
</tr>
</tbody>
</table>

(Source: Demographic Health Surveys of 2004, 2000 and 1992)

Children under the age of five and women of reproductive age (15–45) appear to be the most vulnerable to nutritional disorders. Although there has not been much information on the nutritional status of non-pregnant and non-lactating women, prevailing evidence suggests that malnutrition is a problem in all population segments of the country. Acute and chronic malnutrition, as well as most micronutrient deficiencies, primarily affect poor and deprived people because they cannot get enough food and live in an unsanitary
environment, without access to basic services like clean water, and without the appropriate education and information.

2. Scope of this case study

During periods of national food deficit in Malawi, food aid was one of the key interventions to address food needs of the affected population. Food aid has taken several forms, with relief food aid being the largest proportion. Food aid has been mostly imported, with small amounts being procured from domestic markets. This paper examines the effect of food aid on Malawi’s food security and its domestic markets. It explores the impact of food aid on domestic markets, so that food aid interventions are designed and implemented in a way that takes domestic market operations into account.

Available literature on studies done in Malawi were reviewed, and interviews implemented with key stakeholders in Malawi. The need for a review of this nature was seen to be necessary because food aid is increasingly being used to address recurring food insecurity and malnutrition problems in Malawi in the past ten years.

This case study is divided into the following sections:

- The first section is a review of the state of food security in Malawi, using the various components of food security.
- The second section illustrates the role of food aid in food security and analyses the policy framework guiding food aid interventions in Malawi.
- Next, a discussion of the impact of food aid on key food security components is provided.
- Thereafter, existing evidence is reviewed to show how food aid programmes are implemented, by looking at good and bad practices.
- The final section provides some conclusions and recommendations based on this case study’s analysis of the impact of food aid on food security and markets.

3. A review: Food security in Malawi

Food security is universally defined as ‘physical and economic access by all people at all times to sufficient, nutritious and safe food for an active and healthy life’ (FAO, 2006, page 76). Food security therefore consists of four key components:

- **Food availability** considers the availability of food in sufficient and appropriate quantities and qualities. The food can be available through domestic production or imports (including food aid).
- **Access to food** refers to the availability of adequate resources, as well as to the individual’s (or household’s) ability to get the food he or she needs for proper nutrition.
- **Stability** refers to variations in food availability and accessibility. A country, household or individual must have access to enough food at all times to ensure food security. Risk factors include those natural and economic situations that bring about seasonal variations in food availability and access.
- **The effective utilisation of food** is also needed for improved nutrition. People must eat the correct quantities of quality food so that their bodies can get the correct nutrients.

Food aid has played a role in all the above-mentioned components of food security in Malawi, although the appropriateness of its role in each component differs. Section 3 of this paper provides a detailed situational analysis of the first three components of food security, namely: food availability, access to food and stability of food availability and access to food.
3.1 Food availability in Malawi

Food availability in Malawi can be analysed by considering the following issues:
- agricultural production;
- national food availability trends; and
- food imports.

3.1.1 Agricultural production
In Malawi, maize is the main staple food for the majority of the population (±80%). Other important food crops include cassava, rice, sorghum and sweet potatoes. Due to the dominant role of maize, any reduction in maize production directly impacts on household food security. Generally, maize production has been very erratic over the past 10 years (1997–2006). Figure 2 below shows the trends in maize production, as well as the other key crops grown by the majority of the smallholder farmers.

Figure 2: Maize production trends 1997–2006

According to Figure 1, the lowest maize production was recorded in 2005, with similarly low production in 1997, 2004 and 2002. In contrast, the highest maize production was recorded in 2006, followed by 2000 and 1999. Production dropped in 2001 and 2002, temporarily picking up in 2003 and then tumbling down again in 2004 and 2005. Production sharply increased in 2006. The low production levels experienced in 2002 and 2005 resulted in large national food deficits, which led to the two major food crises of 2002/2003 and 2005/2006.

The frequent drops in production levels may have been caused by the following:

- **Short-term causes:** Erratic and low rainfall in some years (for example in 2002/2003 and 2004/2005) led to a sharp reduction in maize production, causing national and household food deficits.
- **Long-term causes:** Reduced production may be linked to problems such as the rapidly declining sizes of properties due to population pressure, declining soil fertility, rising input prices, a lack of progress in agricultural technology, over-reliance on rain-fed agriculture and poor agricultural policies.
What about increased levels of production? The increase in maize production levels in 1999 and 2000 was due to increased access to agricultural inputs (provided through the government’s Starter Pack Free Inputs Programme) and good rainfall. The sharp increase in production in 2006 was aided by the greater use of fertiliser on maize, due to the fertiliser subsidy programme implemented by the government.

3.1.2 National food availability trends
Malawi has experienced persistent food deficits in the past five years, as a result of reduced levels of maize production due to poor rains, lack of inputs and infertile soils. The deficits were partly countered by using food aid, commercial imports and informal cross-border trade. Table 2 shows the country’s national food balance in relation to its food deficits over the past five years. The domestic food deficit statistics given in the third column below take into account the contribution of other staple food crops such as rice, wheat, sorghum, cassava, sweet potatoes and Irish potatoes.

<table>
<thead>
<tr>
<th>Years</th>
<th>Domestic maize deficit / import requirements (tons)</th>
<th>Domestic food deficit / import requirements (tons)</th>
<th>Uncovered deficit (tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002–2003</td>
<td>No data</td>
<td>618,000</td>
<td>201,000</td>
</tr>
<tr>
<td>2003–2004</td>
<td>35,000</td>
<td>94,000</td>
<td>0</td>
</tr>
<tr>
<td>2004–2005</td>
<td>350,000</td>
<td>408,000</td>
<td>41,000</td>
</tr>
<tr>
<td>2005–2006</td>
<td>767,000</td>
<td>834,000</td>
<td>434,000</td>
</tr>
</tbody>
</table>


Despite large official food imports in the form of commercial and food aid, there has still been a deficit, which has had to be covered by informal cross-border trading. Informal cross-border trade (especially from Mozambique and Tanzania) has therefore played a significant role in complementing formal trade and filling the gap.

Within the past five years, Malawi has faced two episodes of food shortages: in 2002/2003 and in 2005/2006. This trend indicates the cumulative impact of food shortages on poor households, which have to deal with one crisis after another. Low production in 2005, caused mainly by a prolonged dry spell in most parts of the country, increased the domestic food deficit for 2005/2006 to 834,000 tons, while in 2002/2003 it was at 618,000 tons. The Joint Food and Agricultural Organisation/World Food Programme Crop Assessment Mission estimated the cereal production in 2004/2005 to be the lowest in the past decade, at about 1.34 million tons. The year 2005/2006 seemed much worse in terms of the number of people affected. According to MVAC assessments, about 4.9 million people were affected in 2005/2006, compared to 3.2 million in 2002/2003. In November 2005, the revised MVAC analysis indicated that the number of food insecure people had increased from 4.2 million to 5.1 million as maize prices continued to increase, making food unaffordable for many.

Relevant stakeholders were consulted and existing literature was reviewed, and they all indicated that the major causes of the food crisis were not short-term, but chronic, because the livelihoods of Malawi’s people are becoming increasingly vulnerable over time.

The population’s increased vulnerability is caused by:
- the high incidence of poverty;
- poor government policies in the agricultural sector;
- the poor implementation of government programmes, such as improperly targeting safety net interventions and other development programmes;
• poor economic management, resulting in the devaluation of the local currency, thereby raising input prices beyond the reach of the rural poor;
• setbacks in the lives of people in the form of drought (or dry spells) and floods; and
• the impact of HIV and Aids.

3.1.3 Food imports
To deal with the domestic food deficit during the last two major food crises (2002/2003 and 2005/2006), the Malawi government and its cooperating partners had to import food items to cater for households with missing food entitlements. During the 2002/2003 food crisis, a total of 337,321 tons of maize were imported, of which 234,500 tons were imported by the government. This food had been bought for commercial purposes and humanitarian relief. The government commercial imports were mostly sold at subsidised prices through Agricultural Development and Marketing Corporation (ADMARC) markets. The government’s importation of large quantities of maize and its subsequent subsidisation adversely affected the participation of the private sector in maize marketing (Maunder, 2006). The government had to borrow money to subsidise maize, which harmed the Malawian economy. However, donors cushioned the costs somewhat by providing budgetary support, grants and in-kind donations.

Table 3 below compares maize imports during the two major food crises of 2002/2003 and 2005/2006.

<table>
<thead>
<tr>
<th>Sources of funding</th>
<th>2002/2003 (tons)</th>
<th>2005/2006 (tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>WFP</td>
<td>102,821</td>
<td>43,000</td>
</tr>
<tr>
<td>Pooled funds (DFID,EU,Norad)</td>
<td>0</td>
<td>53,000</td>
</tr>
<tr>
<td>DFID</td>
<td>0</td>
<td>42,500</td>
</tr>
<tr>
<td>Government</td>
<td>234,500</td>
<td>101,500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>337,321</strong></td>
<td><strong>240,000</strong></td>
</tr>
</tbody>
</table>

Compared with the 2002/2003 food crisis, the crisis in 2005/2006 had more support from donors. Out of the total maize imports of 240,000 tons, 138,500 tons were partly funded by donors, while 101,500 tons were paid for by the government alone. Apart from government imports, some of which were sold on the market, most of the food imports were in form of food aid given to vulnerable households as free handouts. Food aid has therefore played a significant role in dealing with the food shortage in Malawi’s crisis years.

3.2 Access to food
Access to food is determined by:
• people’s incomes, whether derived from their own land (on-farm) or from an alternative source (off-farm); and
• their access to markets.

In the following section, the influence of these two factors on people’s access to food will be considered.

3.2.1 On-farm and off-farm incomes
About 80% of Malawians live in rural areas and depend on agriculture as their main source of income (their on-farm income). Their on-farm sources of income include selling their own labour to work on agricultural land and selling their crops and livestock. Rural incomes are generally low, as they are conditional on crop production and the availability of markets.
Recent poverty assessments (PVA, 2006) show that 56% of the rural population are poor (below the US$182.5 per person per year poverty line) and 24.2% of the rural population is ultra-poor (earning less than US$113 per person per year). The poverty lines are derived based on ‘household consumption expenditures as a proxy for income’ (PVA, 2006, page 5). For the poor, food costs comprise over 60% of their total expenditure, which causes problems because they cannot meet their food requirements, especially when food production is low. The ultra-poor are determined as those living in ‘dire poverty that they cannot even afford to meet the minimum standard for daily recommended food requirements’ (PVA, 2006, page 5). These people normally have chronic food needs and are usually targeted by safety nets and food aid programmes.

3.2.2 Access to markets

Even in a normal year about 40% of Malawi’s population do not produce enough to meet their annual food requirements due to problems such as the small sizes of agricultural properties, high input prices and the use of poor production technologies. As a result, they have to access food through the markets and other means, such as food handouts. To buy food, they need to have enough money (earned from selling crops, wage labour and remittances) and food must be available at affordable prices. During the two seasons of 2002/2003 and 2005/2006, national food production was exceptionally low, so crop income was reduced and fewer labourers were required for the harvest. Those who usually depend on selling their labour suffered because they could not find employment to make up their household budget deficits. In addition, market prices for food continued to rise due to the scale of the deficit. Although the government sold some of the imported maize at a subsidised price through ADMARC market outlets, the amounts were too small to meet the demand. People were rationed a meagre 25 kg per person. The government’s intervention backfired, resulting in large numbers of households living in extreme hunger, increased malnutrition and an early death for children, the elderly and the sickly.

3.3 The stability of food availability and access to food

Food must be available and people must have access to it all the time for them to be properly nourished and to lead productive lives. However, food supplies are seldom stable in Malawi, as a result of:

- natural and human-made disasters; and
- insufficient strategic grain reserves (SGR).

3.3.1 Natural and human-made disasters

The stability of food availability and access in Malawi has been seriously affected by disasters and shocks, in terms of both production and income. The Disaster Preparedness and Relief Act No. 27 of 1991 defines a disaster as ‘an occurrence (whether natural, accidental or otherwise) on a large scale, which has caused or is causing or is threatening to cause death or destruction of persons, animals or plants; disruption, pollution or scarcity of essential supplies; disruption of essential services; and influx of refugees into or out of Malawi’ (page 3).

Malawi has experienced a number of natural and human-made disasters, such as floods, drought, crop pests, economic crises and market failure. Floods and drought are the most frequent natural disasters, but drought is by far a greater threat in terms of geographical range and economic effect. The consequences of these disasters include the loss of lives and property, food insecurity, malnutrition and the complete loss of the ability to earn a livelihood. Food aid and other interventions are urgently needed to save lives now and to allow people to continue earning a livelihood.
3.3.2 The role of strategic grain reserves (SGR)

For a long time, most countries including Malawi have included public holding of food stocks as an essential element in their food security policy and strategy in order to ensure stability in food availability. The food stocks have been used for both market intervention (price stabilisation) and emergency food supply objectives.

As we have noted before, maize is the main staple food crop for Malawi, so the government has been taking an active role over the past few years in promoting and protecting the crop. For example, it has actively participated in maize marketing by establishing ADMARC and setting producer and consumer prices for maize. In 1981, it also established its strategic grain reserves (SGR).

The SGR can store up to 180,000 tons of maize, which should cover the country’s consumption for three months. It was established mainly because food (maize) production was highly variable and relied on one growing season per year, making it highly vulnerable to problems such as natural disasters (drought and floods) and macro-economic hardships. Other problems include high transport costs for importing maize and insufficient private sector involvement in the marketing of maize and other food.

Over time, some of these problems have changed and new ones have emerged. For example, the government is encouraging people to grow and use other food crops such as cassava and sweet potatoes to substitute or supplement maize. Internationally, the government has been pressured to liberalise its markets by reducing its interventions in the maize market (through the SGR) and allowing more private sector participation. In addition, it has been expensive for the government to maintain and store large amounts maize, and these costs are not covered by market margins. However, maize stocks are still needed to deal with food shortages during disasters. A balance must to be found between the objective of maximising supply stability and food security, and the objective of minimising costs and budgetary burdens. During the country’s two main food crises, the government imported food and received food aid from various donors to build up its strategic grain reserves.

Researchers still need to analyse the cost effectiveness of maintaining SGR to achieve stability and food security objectives and compare it with alternative approaches, such as commercial imports and/or food aid imports.

4. The role of food aid in promoting food security in Malawi

How can food aid promote food security in Malawi? This section begins with a description of the different types of food aid that are currently available. Thereafter, a policy framework for food aid in Malawi is presented, and the section concludes with an examination of alternatives to food aid.

4.1 Types of food aid

Food aid has been one of the key interventions aimed at improving food security in Malawi. Food aid has been inevitable in times of severe shocks such as drought, floods and market failure. During lesser disasters, food aid resources have been linked to existing safety net programmes such as public works (food-for-work) and targeted supplementary feeding, to ensure that food aid distorts food markets as little as possible.

There are three main categories of food aid that have been used in Malawi by different stakeholders:
• **Programme food aid** has been provided to the government in the form of loans or grants, mainly to supply the country’s balance of payments and to provide budgetary support (a substitute for commercial food imports). This aid is usually not targeted at specific groups of beneficiaries. Instead, it is normally sold on local markets at subsidised prices. It has also been used to build up national food reserves. In most cases, aid comes with conditions attached, which vary from donor to donor.

• **Project food aid** is provided in the form of grants to support specific development objectives and groups of beneficiaries. Food is normally not provided directly to the government but to the agency that is implementing the project (usually an NGO or government agency).

• **Relief food aid** is provided in the form of grants and distributed to targeted groups of beneficiaries to address their critical food needs. If targeting requirements are not properly met, relief food aid has the potential to severely distort markets and create dependency.

The above three categories of food aid are linked and have been used in combination or separately to alleviate food crises. Programme or project food aid may be used for relief during an emergency. The type of food aid that is used depends on the nature and causes of the food deficit. For example, if the deficit is caused by a market supply/import deficit, commercial imports or programme aid will be required. If the problem is a demand deficit, project and/or relief aid that targets people who lack purchasing power will be needed. Aid may be supplied to the whole country, to a specific area that is affected by a disaster or to a particularly vulnerable community.

Sometimes Malawi may have an overall food surplus, but several areas/districts will have a food deficit due to poverty-related issues or natural disasters. In these situations, food aid can be obtained by means of local purchases for poor and vulnerable groups, thereby stimulating local production and avoiding market distortions.

The World Food Programme (WFP) has been the main food aid organisation in Malawi for the past thirty years with the main goal of eradicating hunger by providing both relief and development-oriented food aid to meet the immediate needs of the hungry poor, improve the quality of life of the most vulnerable people, build assets and promote self-reliance by means of labour-intensive activities.

WFP food aid helps the country to achieve the following objectives:

• to improve nutrition, while enhancing community development and human resource capacity through education, training and promoting community participation;

• to build and properly manage assets that increase food security, and reduce environmental degradation and the impact of droughts and floods;

• to improve the capacity of communities to withstand and respond to external shocks and/or natural disasters; and

• to assist the government in formulating a food aid policy, finalise the National Disaster Management Plan and create institutional mechanisms for implementing the policy.

In 1968, the WFP and the Malawi government signed a basic agreement for assistance, and from 1968 until 2001, the WFP has provided food aid assistance worth more than US$595 million (about 18% for development projects, 39% for emergency operations and 43% for refugee operations). The WFP works in partnership with government ministries, NGOs and civil society organisations in order to implement food aid programmes in Malawi.
4.2 A policy framework for food aid in Malawi

Malawi has no explicit policy framework for food aid, even though a lot of food aid has been received over the past 10 years for relief and development activities. However, there are some key documents that are relevant to food aid in Malawi:
- the Malawi Economic Growth and Development Strategy (2006);
- the National Food Security Policy (2006);
- the Safety Nets Strategy (2000); and
- the Disaster Preparedness and Relief Act No. 27 of 1991.

4.2.1 The Malawi Economic Growth and Development Strategy (2006)

The Malawi Economic Growth and Development Strategy (MGDS) acknowledges that Malawi continues to face food insecurity and that there are a lot of constraints to achieving food security. These constraints include low food availability due to low levels of agricultural production and restricted access to food due to poorly functioning maize markets, low income levels and poor road infrastructure, which limits the ability to distribute food properly. These constraints have made Malawi dependent on food aid and commercial food imports from other countries.

Food security is fast becoming one of the government’s highest priorities. Some of the key strategies that it has identified to address the food insecurity problem include:
- improving agricultural productivity;
- implementing policies to improve the functioning of maize markets;
- improving the country's ability to import and distribute food through better domestic and regional connectivity;
- creating access to food from external markets;
- providing the poor with the means to gain an income;
- establishing effective safety net programmes for the most vulnerable;
- implementing a nutrition strategy; and
- improving the coordination and management of food aid and food aid imports.

The government has recognised that food aid is an important part of food security and the economic development of the country.

4.2.2 The National Food Security Policy (2006)

One of Malawi’s key food policies is the National Food Security Policy, which was approved in 2006. A key objective of the policy is to ‘ensure availability of food in sufficient quantities, adequate quality and variety through production, purchase, trade and donations to meet the demands of all Malawians at all times’ (Malawi Government Food Security Policy, page 10). Food aid is prioritised in the policy, which calls for a coordinated approach to the planning and management of food aid and commercial imports, thereby ensuring that food aid conforms to bio-safety and other related legislation.

4.2.3 The National Safety Net Strategy (2000)

The National Safety Net Strategy was developed in 2000 and it plays an important supporting role in dealing with food aid in Malawi. The strategy was developed to be part of the national poverty reduction programme and is meant to address the needs of desperately vulnerable people whose needs can not be addressed through any meaningfully viable programmes, other than being supported by special programmes like social protection programmes. The safety nets should play a supportive role by helping to reduce the vulnerability of the poor in a food crisis.

Groups that are targeted for safety nets include the chronically poor, such as the elderly, infirm, disabled and the poorest female-headed households, poor orphans without family
support, rural landless or effectively landless people, and the transient poor (those found in a worsening situation due to shocks and or a loss of their livelihoods). Types of safety net programmes include public works programmes that provide food or income, targeted inputs programmes to boost food production, targeted nutrition programmes and the direct transfer of income to disadvantaged groups.

4.2.4 The Disaster Preparedness and Relief Act No. 27 of 1991
The Disaster Preparedness and Relief Act was established in 1991 to facilitate effective disaster mitigation and response. It provides the government and other stakeholders an enabling framework for disaster planning and management. The Act provides for the establishment of institutional mechanisms to deal with disasters. In addition, a Draft National Disaster Plan has been developed to help operationalise the provisions of the Act.

Key aspects of the Disaster Act include the following:
• establishing the Office of the Commissioner for Disaster Preparedness and Relief at national, regional and district levels to direct all disaster preparedness and response activities;
• establishing a National Disaster Preparedness and Relief Committee (NDPRC) to oversee and coordinate all disaster preparedness and planning responsibilities, including the office of Commissioner; and
• establishing a disaster fund to which donors, government and private sector can contribute.

Specific uses of the disaster fund include research and training, the acquisition of land, equipment, materials and other assets, and the construction of buildings and any other schemes considered to be in the interests of civil protection.

Implementation of the provisions of the Act has been minimal. So far, only the Office of the Commissioner has been established with minimal staffing. Many stakeholders have noted that there is need to review the Act to make it more versatile and applicable to the changing environment. For example, the responsibilities of government ministries and other organisations should be redefined for the different types of disasters. The management and uses of the disaster fund should also include other issues, such as the use of food aid and strategic grain reserves.

4.3 Alternatives to food aid
Due to population pressure, the majority of smallholder farmers in Malawi cultivate areas of less than one hectare, so they are seldom able to meet their food requirements from their land. These smallholder farmers face chronic food insecurity and they make up more than 40% of the rural households. They have to depend on other sources to meet their food requirements. Increasing poverty and the occurrence of natural disasters such as drought and floods make the situation even harder for them.

The chronic nature of food insecurity in Malawi calls for more than just relief food aid, which mainly addresses transitory food insecurity. The situation calls for a social protection programme (a safety net programme) that responds to both transitory food insecurity and chronic food insecurity. Social protection needs to be an integral part of Malawi’s poverty reduction programme. The social protection programme should be developed in such a way that it can be used for national coverage, or stepped up or down in scale as conditions require. It should not disrupt the development of markets, should be appropriate for a wide section of the affected population and should be cost-effective in delivering resources to the target group.
According to the National Safety Net Strategy, the types of safety net programmes suitable for Malawi include public works programmes (cash-for-work or food-for-work) that provide support to the poor in form of income or food while facilitating the development of useful infrastructure, such as rural roads and small-scale irrigation. Other safety net programmes include targeted inputs programmes (aimed at boosting food security by boosting smallholder production), targeted nutrition programmes, and direct income-transfer programmes (in form of cash and in-kind transfers).

Cash-based transfer schemes are fast becoming the preferred option to respond to both acute and chronic food insecurity, as long as local markets are adequately stocked and functioning. The use of cash helps to avoid the potential market disincentives of in-kind food aid and encourages the development of local markets in areas of chronic vulnerability. Cash transfers have also been found to be useful incentives to local agricultural producers.

Barrett and Maxwell (2005) argue that cash provides a more flexible and efficient income transfer; as such, it should be the primary choice when the market is functioning and stocks are adequate to meet the needs of the potential beneficiaries. They recommend that, if the market supplies are inadequate, then food should be purchased locally or regionally. In-kind direct transfers of food aid should be seen as the last resort.

The key disadvantage of direct cash transfers is that they promote further increases in local food prices if local markets are not fully functional and efficient. This is especially evident in remote rural areas, where there should be adequate accountability.

5. Impact of food aid on key food security components in Malawi

In Malawi, available evidence shows that food aid impacts on:
- the country's agricultural production;
- the country's food markets;
- the procurement of food aid from local and regional markets; and
- the dietary habits and food preferences of the country's population.

5.1 The impact of food aid on agricultural production

Evaluations of WFP food aid programmes in Malawi over the years tend to show that food aid has a positive impact on agricultural production. According to these evaluations, food aid improves a household’s short-term food availability and nutrition, allowing people to work on their fields, instead of having to sell their labour to buy food. This helps to improve the production of food among the beneficiaries of aid. However, there has not been much quantitative evidence generated regarding this issue. Recent reviews also reveal that economic studies are often inconclusive about the extent of disincentives for local production caused by food aid, as most of these studies are conducted at national or global level, using aggregated data. This hides the impact on local markets, where price depression and displacement are more likely, especially in the fragmented markets typical of many countries receiving food aid.

A review of previous food aid intervention in Malawi showed that, due to the large flow of food aid in addition to commercial imports during the 2002/2003 food crisis, maize market prices fell, thereby sending negative signals on local production (DRN, 2003). It is alleged that food aid donors over-reacted to a projected 600,000 tons of food deficit in Malawi, and sent close to 600,000 tons of food aid. Commercial and informal importers brought in an additional 350,000 to 500,000 tons. Both actions resulted in large carryover stocks, and a subsequent drop in the price of maize from US$250/ton to US$100/ton during that one-year period.
5.2 The impact of food aid on food markets

Some recent studies and evaluations of food aid programmes, especially programmes that were used during past food crises, have highlighted some of the impacts of food aid on the food market. The biggest problem is that food aid creates disincentives for local food producers by flooding the market and depressing prices.

A study done by Rates, in 2003, aimed at identifying opportunities, issues and constraints facing maize trade in Malawi. It identified several factors that hinder maize trade in Malawi. One of the key findings was that there were evident market distortions arising from increasing food aid. The study recommended that the government should take a cautious approach to food aid to ensure that food aid does not lower maize prices and deter maize production.

Another study done by the DRN, in 2003, assessed the effects of the WFP interventions in Malawi following the 2002/2003 food crisis. It revealed that the availability of free humanitarian food aid supplies reduced demand for commercial maize, resulting in unintended excess stocks of commercial maize stocks in ADMARC and SGR, which exerted a dampening effect on consumer prices and producer prices for the next harvest. The unsold government commercial imports also put pressure on the government’s budget, as these imports were financed by domestic borrowing. The study raises questions about how to balance commercial supplies with food aid during a food crisis.

In 2004, the FAO conducted a study to assess the dynamics and impacts of food aid in Malawi (Charman, 2004). One of the key findings was that both food aid and commercial cereal import volumes have increased over the years due to recurring food shortages and humanitarian crises. The study also found that the impact of food aid and food imports on domestic markets (in terms of market prices and private sector participation) varied from year to year, depending on the size of the food gap, the involvement of the government and the timing of the importations and food aid inflows. In some years, private sector participation in supplying domestic food demands through importation increased, while in other years, direct government importation and large inflows of food aid limited private sector involvement and distorted market prices.

In 2005, the Food Security Joint Task Force of the Malawi Government conducted a study on private sector participation in the maize market that found that the role of the private sector in the maize market is greatly hindered by the government’s and donors’ active participation in commercial maize and food aid purchases (mostly through importation). Subsidised prices contributed further to the problem.

5.3 The procurement of food aid from local and regional markets

There is growing recognition that procuring food aid locally reduces the market and production disincentives that are normally associated with imported food aid. When food is available in some parts of the country, local purchases of food aid do not increase overall supply in the country; as such, price and production disincentives and import displacement effects are removed. Timely information on prices and the availability of local food stocks is also crucial for effective decision-making for local purchases. When there is an overall deficit in the country, regional procurement may be preferable, although this may still result in domestic disincentives.

The WFP has been the largest player in food aid operations in Malawi and its major sources of food have been local purchases, regional purchases and in-kind donations (international
commodity aid). According to the WFP, the local purchases have not been large in recent years, due to recurrent food deficits in the country. Table 4 below shows how the different types of food aid have been procured over the past three years.

### Table 4: Sources of WFP food aid: 2004–2007

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Local purchases (%)</th>
<th>Regional imports (%)</th>
<th>In-kind donations (%)</th>
<th>Total (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cereals</td>
<td>0</td>
<td>70</td>
<td>30</td>
<td>100</td>
</tr>
<tr>
<td>Pulses</td>
<td>25</td>
<td>25</td>
<td>50</td>
<td>100</td>
</tr>
<tr>
<td>Corn soya blend</td>
<td>80</td>
<td>20</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Vegetable oil</td>
<td>0</td>
<td>0</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

(Source: WFP through personal interview)

In most cases, WFP food aid for Malawi in the past two to three years has come from regional purchases from South Africa and Tanzania. The in-kind donations have come from a variety of countries such as the United States of America. Local purchases of cereals have been minimal due to national food deficits. Other problems associated with local purchases have been poor quality standards and a lack of capacity (technical and financial capacity and a lack of supplies) among local traders.

Maunder (2006) notes that ‘the increasing significance of local and regional purchases has initiated a debate on the how food aid might be used to positively support local market development – rather than simply mitigating the negative aspects’ (page 37). He goes on to say that the levels of support that food aid agencies have given to market development have been varied, although they agree that, ‘given an appropriate context, local purchases are more cost efficient, timelier and have lower risks of creating market disincentives than other sources of food aid’ (page 38).

### 5.4 Dietary habits and food preferences

Maize is the main staple food in southern Africa and Malawi is no exception. Consequently, most Malawian food aid is in the form of maize. The rest of the food aid is made up of other items like sorghum, millet, beans and vegetable cooking oil.

In a food crisis, people have to adjust their dietary habits, depending on what food is available. The normal diet of most Malawians consists of maize and beans, which provide much-needed carbohydrates and proteins. During a crisis, food packages provide these two staple foods, but vegetables are often lacking. Vegetables are either lacking altogether or in short supply during floods or drought for people who live off the land, so they are critically needed in food aid packages. Unfortunately, food aid packages are very rigid, in the sense that the people who receive them do not have a say in how these packages could be modified to suit their needs better.

### 6. A review: How are food aid programmes implemented?

In this section, national and international examples of food aid programmes are used to illustrate:
- the principles of food aid policies and programmes; and
- good and bad practices that affect food aid policies and programmes.
6.1 The principles guiding food aid programmes

The Humanitarian Charter and Minimum Standards in Disaster Response were developed in 1997, through the Sphere Project (an initiative launched by a group of humanitarian NGOs and the Red Cross and Red Crescent movements). The project developed a set of universal standards in core areas of humanitarian assistance in order to improve the quality of assistance provided to people affected by disasters, and to enhance the accountability of the humanitarian system in disaster response. These standards have been universally agreed upon by many stakeholders (over 400 organisations in 80 countries) in the humanitarian sector (Sphere Project, 2004).

Some of the minimum standards on food aid encompass issues of participation, initial assessment, planning, response, targeting, monitoring and evaluation. Other specific standards relate to food aid planning (ration planning, appropriateness and acceptability, and food quality and safety) and food aid management (food handling, supply chain management and distribution).

These standards are supposed to guide implementation of food aid policies and programmes. In line with these standards, governments should collaborate with all stakeholders to come up with national standards and procedures that can be followed in food aid management. This will ensure efficiency and effectiveness in food aid management, thereby maximising the impact on food security and minimising the negative impacts on markets and production systems.

6.2 Good and bad practices that affect food aid policies and programmes

Examples of good and bad practices in implementing food aid policies and programmes can serve as useful lessons, and can help to shape future policies and programmes. In this section, examples from Malawi itself and from other countries around the world will be discussed.

6.2.1 Good practices with regard to food aid policies and programmes

The minimum standards set down by the Sphere Project provide an internationally accepted basis for good practices with regard to food aid policies and programmes.

One example of a good practice with regard to food aid management in Malawi has been the enhanced coordination of food aid programmes at national level. Donors, the UN, NGOs and the government responded more effectively during the 2005/2006 and 2002/2003 food crises because they had worked together through the Food Security Joint Task Force. In 2002/2003 the Joint Emergency Food Aid Programme (JEFAP) was set up as a principal food aid component of the 2002/2003 humanitarian response in Malawi. JEFAP was a collaboration by the Government of Malawi, donor organisations, the World Food Programme and the NGO consortium with the objective of providing general food distributions to the most vulnerable and food insecure households in Malawi in a transparent and accountable way. JEFAP reported to the Humanitarian Response Sub-committee (HRSC) of the Food Crisis Joint Task Force. Through the JEFAP, a manual was developed in line with the Sphere standards to provide guidance for those involved in the food aid programme (JEFAP, 2003).

The 2005/2006 food crisis was also coordinated through the Food Security Joint Task Force and its subcommittees. The improved performance of these structures during this period was reflected by greater stakeholder participation and more frequent sub-committee meetings and plenary sessions. All the key stakeholders and observers of the process acknowledged that there had been significant improvements in coordination at national level.
Another important good practice to highlight is the analysis of food aid needs as a component of a wider food security and nutrition analysis. In Malawi, the Malawi Vulnerability Assessment Committee (MVAC) carries out the assessment of food security and nutrition in the country and the results form the basis for government and donor response, as well as targeting. The MVAC constitutes a good basis for analysing the food situation in the country in order to plan future food aid intervention better. The MVAC provides information about the affected areas and the number of people affected in terms of missing food entitlements. This information is very useful for targeting food aid.

According to a review of the stakeholders’ response to the 2005/2006 food crisis, the MVAC analysis, based on a livelihoods approach, was reported to be innovative, well managed and highly effective (Malawi Government, 2006). The review also praised the current structure of the MVAC – as a committee and secretariat – because it generates ownership and awareness among key suppliers and users. Recommendations were made for additional resources to be made available to the MVAC to widen and deepen its work.

The comprehensive review of stakeholder responses to the 2005/2006 food crisis can also be considered as a very good example of a practice that should be part of all food aid programmes because it generates lessons on how to manage future food crises better. By analysing the review, stakeholders in future food crises will be able to make more accurate predictions, identify potential problems early on and come up with timely solutions.

6.2.2 Bad practices with regard to food aid policies and programmes
The most common bad practice experienced in the implementation of past food aid programmes in Malawi has been the extensive distribution of free food aid without credible data and information to guide targeting. Due to poor and weak information systems, the government and other stakeholders have not been able to get adequate and proper information about the extent of the food shortage across the country. As a result, they have been using incorrect information to estimate how much food is required and exactly where it is required. This has led to negative impacts on markets and food production systems. The establishment and strengthening of the MVAC has been a response to this problem.

During food crises, both the government and its cooperating partners join hands in their efforts to provide appropriate interventions to avert hunger. In these situations, the government is supposed to provide the leadership and coordination to ensure maximum benefits to the affected populations. Past experience in Malawi has shown that government leadership has been weak and government has been slow in response. This has resulted in donors, WFP and international NGOs taking the lead in food aid management and other interventions. This is an example of a bad practice. Both in the 2002/2003 and 2005/2006 food crises, most stakeholders complained that government leadership was weak. There were strong calls for government to take lead and full responsibility for coordinating food aid distribution. The Food Security Joint Task Force was an attempt for government to demonstrate its leadership in coordinating the national response to the food crisis.

One main feature of the 2005/2006 food crisis that can be attributed to weak leadership was the implementation of two food aid pipelines. In addition to WFP free distributions, the government, with support from the British government, the Department for International Development (DFID), also implemented a parallel free food distribution programme that used a voucher scheme in some districts. This alternative pipeline was set up as a cheaper system of food aid distribution and management. Most stakeholders consulted indicated that this was a bad practice as it created unnecessary competition on the transport system and implementing partners at local level. In addition, coordination and monitoring of the two programmes was made difficult because of the different implementation and monitoring systems that were used.
It is important for governments to learn from their past experiences in the area of food aid so that mistakes that were made can be avoided and areas that need strengthening are identified and strengthened in preparation for any future food crises. It is also important that food aid programmes adhere to international and nationally accepted standards and practices to ensure maximum benefits and negative impacts from food aid.

### 7. Conclusion and recommendations

#### 7.1. Conclusion

This review has shown that Malawi has experienced recurring national food deficits in the past five to ten years, resulting in food insecurity problems among the population. Food aid has played a significant role in improving food security in Malawi by bridging the food gap. Over the past 10 years, there has been an increase in food aid flows into Malawi due to recurring food crises. Relief food aid has been the most common and largest form of food aid. Most of this food aid has been imported.

Although food aid has been one of its key food security interventions in the past 10 years, the government has no explicit policy and legislative framework for food aid. However, it has developed a few key policies and pieces of legislation that highlight the need for food aid in Malawi to support poor, vulnerable, food-insecure people, namely the Malawi Economic Growth and Development Strategy (2006); the National Food Security Policy (2006); the Safety Nets Strategy (2000) and the Disaster Preparedness and Relief Act No. 27 of 1991.

Available evidence shows that food aid has impacted on the country’s agricultural production, its food markets, and the dietary habits and food preferences of the country’s population.

Evaluations of some food aid programmes in Malawi over the years have shown that food aid has in some cases had a positive impact on agricultural production because it improved household short-term food availability, allowing people to work on their fields, instead of having to sell their labour to buy food. On the other hand, large and prolonged flow of food aid may dampen market prices, thereby sending negative signals on local production.

Studies have also shown that food aid has some impacts on food markets. If not targeted and managed properly, relief food aid has the potential to severely distort markets by depressing prices and creating disincentives for local food producers. It has also been shown that the availability of free humanitarian food aid supplies reduced demand for commercial food, resulting in unintended excess stocks of commercial maize stocks, which exerted a dampening effect on consumer prices and producer prices for the next harvest. However, local purchases of food aid may help in stimulating local production and avoiding market distortions.

Studies have also found that the direct participation in food aid procurement or importation by the government and donors negatively affects the role and participation of the private sector in the food markets.

Food aid also affects people’s dietary habits and preferences. In a food crisis, people have had to adjust their dietary habits, depending on what food is available. Most food aid packages are also predetermined and rigid, in the sense that beneficiaries have little say in determining the contents of the food aid.
The Humanitarian Charter and Minimum Standards in Disaster Response, which was developed through the Sphere Project, is a set of universally agreed standards in humanitarian assistance. These standards are supposed to guide the implementation of food aid policies and programmes. In line with these standards, governments should collaborate with all stakeholders to come up with national standards and procedures that can be followed in food aid management. This will ensure efficiency and effectiveness in food aid management, thereby maximising the impact on food security and minimising the negative impacts on markets and production systems. In Malawi there has been an effort to develop and implement food aid programmes by following some of these standards. However, results are mixed, and examples of good practices and bad practices were provided in this paper.

7.2 Recommendations

What does the future hold for food aid in Malawi? In the final section of this paper, the following recommendations will be presented:

- the need for a food aid policy;
- moving towards social protection;
- developing functional markets to improve household food security; and
- the sustainable and efficient use of food aid to improve household food security.

7.2.1 The need for a food aid policy
Since food aid is an important way to mitigate food crises, food aid programming should be part of the national planning process. The government needs to come up with a food aid policy that ensures that food aid contributes effectively to national food security without undermining market operations and local production. The Department of Poverty and Disaster Management should also incorporate food aid planning and management in its disaster management policy and plans to ensure that food aid appropriately matches emergency food needs during disasters.

7.2.2 Moving towards social protection
The chronic nature of food insecurity calls for more than relief food aid. Malawi needs a social protection programme that can respond to both food insecurity and chronic food insecurity, especially for the country’s most vulnerable population groups. The social protection strategy needs to be an integral part of Malawi’s development strategies and poverty-reduction programme. It should incorporate other alternatives to food aid, such as cash-based transfers and input programmes, which can be implemented.

7.2.3 Developing functional markets to improve household food security
The availability of food to households in any country, even in times of plenty, depends on the effectiveness of the country’s food markets. Since the liberalisation of agricultural produce and input marketing in Malawi, two main players in the agricultural sector have emerged: the government and private traders (including large traders, medium-scale traders, small local traders and micro farmer traders). Most of the private traders are informal traders who operate all across the country (Malawi Government Food Security Joint Task Force, 2005).

The studies that were reviewed in this paper have shown that continued government involvement in commercial maize and food aid importation is more likely to have a negative impact than a positive one on the market, especially on private sector participation. The government needs to do more to facilitate the involvement of private stakeholders at all levels of the market by providing them with the necessary support (both technical and financial) and by directly engaging the private sector in food procurement, distribution and retailing. The government will need to provide adequate and timely market information to all players so that they can make timely and accurate decisions and participate actively in the
food aid programme. It should also ensure that it generates more accurate marketing data that can be used to make more effective marketing decisions.

7.2.4 The sustainable and efficient use of food aid to improve household food security

In Malawi, food aid was used to respond to its two major food crises in 2002/2003 and 2005/2006. Food aid was needed because of the increased vulnerability of the Malawi agricultural economy to adverse weather situations such as drought. It was used to meet the affected people’s food security requirements. It has also been used to address the needs of the poor and chronically food insecure even in years of no national deficit.

While the government and its donors may be able to identify food aid needs, it is recommended that food aid should only be provided to the people who are most in need, using appropriate national and international standards and practices. Reliable data needs to be available to assist in identifying people’s food aid needs and who needs to be targeted. The MVAC, which has proven to be instrumental in providing analytical information to identify the vulnerable populations and target food aid, should be strengthened to ensure that its activities are implemented on time and that reliable information is generated.
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Equity in health implies addressing differences in health status that are unnecessary, avoidable and unfair. In southern Africa, these typically relate to disparities across racial groups, rural/urban status, socio-economic status, gender, age and geographical region. EQUINET is primarily concerned with equity motivated interventions that seek to allocate resources preferentially to those with the worst health status (vertical equity). EQUINET seeks to understand and influence the redistribution of social and economic resources for equity oriented interventions, EQUINET also seeks to understand and inform the power and ability people (and social groups) have to make choices over health inputs and their capacity to use these choices towards health.

EQUINET implements work in a number of areas identified as central to health equity in the region:
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• Poverty, deprivation and health equity and household resources for health
• Health rights as a driving force for health equity
• Health financing and integration of deprivation into health resource allocation
• Public-private mix and subsidies in health systems
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• Equity oriented health systems responses to HIV/AIDS and treatment access
• Governance and participation in health systems
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