



## Updates

- The number of municipalities experiencing Severe Food Insecurity situation in the South has increased this year. In 2008, there were 10, which increased to 44 in 2009. This year 53 municipalities are expected to be in Severe Food Insecurity (SAP, 2010)
- Data collection for the 2010 Comprehensive Food and Nutrition Security, and Vulnerability Analysis survey (CFNSVA) ended in early October.
- In total, more than 15,000 households in over 570 rural communities in 107 districts and 22 regions were surveyed across the country.
- From this sample, food security and vulnerability information was collected for nearly 4,500 households. Anthropometric measurements of 55,957 children 6-59 months of age had been taken.

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# Madagascar Food Security Monitoring System Quarterly Bulletin

3rd Quarter 2010

October 2010

## Summary for 3rd Quarter 2010

- A modest rebound in private activities is noted due to the quasi-absence of violence over the past few months.
- Informal activities, especially new petty trade activities, has increased in urban areas. .
- Agricultural sector, forestry and mining have well performed this year while secondary and tertiary sectors have deteriorated compared to previous years.
- Political crisis has led to a sharp deterioration in labor market. Moreover, the importance of formal employment has declined in favor of informal employment.
- Structural unemployment rate has increased in *Antananarivo*. It rose from 5.2% in 2006 to 6.8% in 2010, which represents an increase of nearly 20,000 unemployed people.
- Underemployment has also risen : underemployment related to working hours affects 12% of workforce and inadequate employment touches nearly half of labor.
- The food balance sheet from crop assessment shows an overall deficit of 66,100 tones of cereals and cereal equivalent. Moreover, threat of locust invasion permanently remains for agriculture.
- According to the CFSAM, food consumption has improved compared to last year in rice producing areas. However, it has worsened in areas with high risk of natural disasters.
- Price of rice in third trimester has slightly increased by 4% compared to last year but remains below the price in 2008.
- As far as health is concerned, almost all households in *Antananarivo* and in *Tulear* use water from improved sources. The use of latrine is almost universal in both cities. According to McRAM, knowledge of HIV/AIDS is high among surveyed members. However, systematic use of condoms is moderately well known.

## Political and Economic Crisis

- A modest rebound in private activities is noted due to the quasi-absence of violence over the past few months. However, they remain far below their pre-crisis levels.
- Energy and electricity consumption, especially in the industrial sector, new vehicle orders and cement sales increased during the first semester of 2010 compared to their levels in 2009.
- Even the tourism sector slightly rebounded during the January-May period of 2010 with an 11.5% increase in tourism arrivals but it is still 43% down compared to 2008.
- This rebound did not include the textile sector and construction activities that are still suffering from the negative external environment and the collapse in public investment.
- A boom of informal activities, especially new petty trading activities, is noticed in urban areas as a result of the conversion of laid-off workers from textile and tourism sectors.
- Insecurity have surged both in urban and rural areas. Also, illegal trading of natural and protected species (e.g., rosewood) is rising.
- According to the World Bank, official aid flows are still equivalent to 5% of GDP. They have been addressed directly to humanitarian support activities.
- Nonetheless, the global situation remains fragile, especially on the fiscal front. Public spending and investment have been restricted. Most of civil servant revenues were late paid which regularly provokes strikes.
- These facts have both short and long-term negative implications on the delivery of social and infrastructure services.

**“The economy  
has suffered but  
not collapsed  
since the  
beginning of the  
political crisis in  
early 2009.”  
(World Bank)**

## Economic Conditions

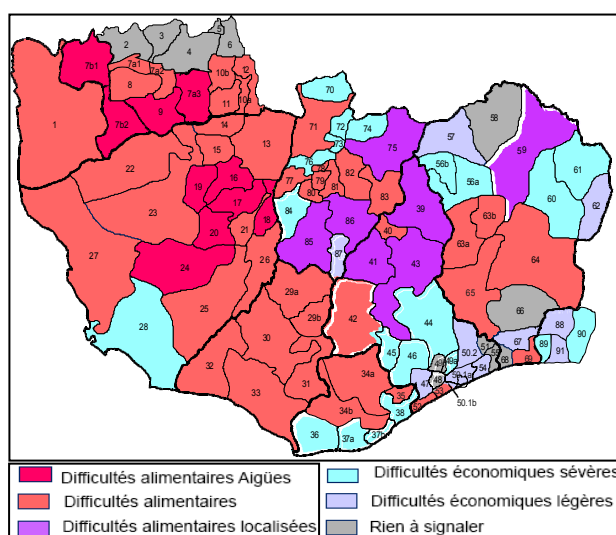
- The agricultural sector has performed well for the second consecutive year. The same case applies for forestry and mining. However, secondary and tertiary sectors have deteriorated. IMF predicts a negative economic growth rate of -2% for 2010 but a rate above zero for 2011 due to start production of the large mining project *Ambatovy (nickel, cobalt)*.
- They also reported a large state intervention in some strategic markets including markets of rice and other imported food, vanilla and litchi, and energy. A positive but unstable trend is noted in exports while imports decline except for food and energy.
- Investment environment remains uncertain. Some recent startup of companies that have already made significant investments (*NBM, Madamobil*) has been blocked.
- Concerning labor market, a recent study undertaken by DIAL (*Développement Institution et Analyses de Long terme*) and the National Agency of Statistics (INSTAT) in the city of Antananarivo, stated that political crisis has led to a sharp deterioration in labor market. Moreover, a decline of the weight of formal employment was noticed in favor of informal employment.
- Yet, structural unemployment rate has increased in Antananarivo. It rose from 5.2% in 2006 to 6.8% in 2010, which represents an increase of nearly 20,000 unemployed people. This significant increase reflects, on one hand, the greater difficulty of young graduates in entering labor market. On the other, it also results from an increase in lay-offs by formal private sector. In fact, the majority of recent unemployed people comes from large private companies (49% of cases) or from free zone (36% of cases).
- Underemployment has also risen: underemployment related to working hours (less than 35 hours per week) affects 12% of workforce, and inadequate employment (full-time jobs with hourly wages less than the official minimum wage) touches nearly half of labor.

**“This year, 53  
municipalities in  
the South are  
expected to be  
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(SAP, 2010)**

## Agricultural Production

- The food balance sheet from CFSAM shows an overall deficit of 66,100 tones of cereals and cereal equivalent after adding the surplus of 139,500 tones of rice and the surplus of 65,400 tones of tubers in cereal equivalent to the deficit of 125,200 tones of maize with the wheat import requirement of about 144,400 tones.
- Locust outbreak has become of real concern in South and Southwest Madagascar during the 2009/2010 season. Locust population has been on the rise and led to swarms that still covered 11 regions of Madagascar. Consequently, threat of locust invasion permanently remains for agriculture in all these regions, particularly for rice, barley and off-seasons crops. Spraying interventions have covered over 120,000 ha out of 144,000 ha infested areas. However, the risk for the next season is still significant. Two major parts of activities are planned by the NAC (The National Anti-Locust Centre) in partnership with FAO for the 2010-2011 campaign: short-term activities which consist of air operations covering an estimated area of 500,000 ha and medium term activities which consist of on-land interventions on about 60 000 ha.

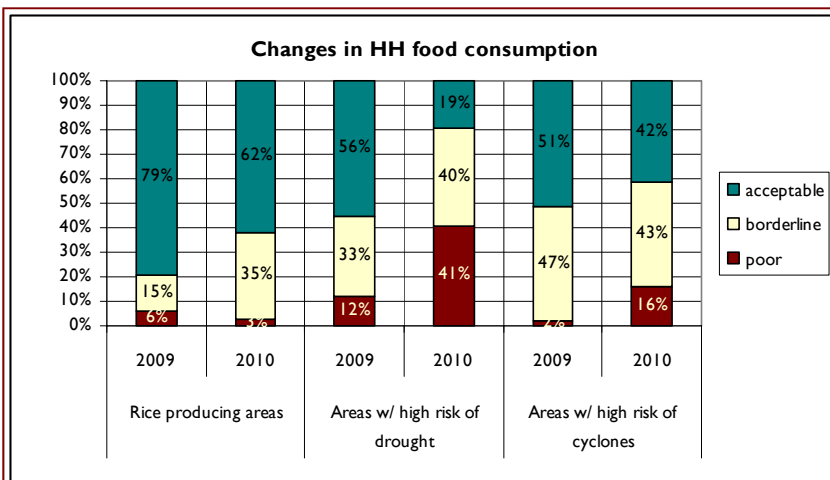
### DEFINITIVE FORECAST IN SAP ZONE IN THE SOUTH MADAGASCAR



A new category of municipalities has been created by SAP to group all “municipalities that could be experiencing acute food insecurity situation during the next lean season”. Population in these municipalities observes a very large drop in their usual income. In order to face to this situation, savings and assets will be fully mobilized. Departures of men or of whole families will be observed. Food is insufficiently available. The minimum food ration will not be insured and a disturbing change in diet is observed. In this case, food aid must be tripped for an average of 5 months starting in September.

## Food Consumption

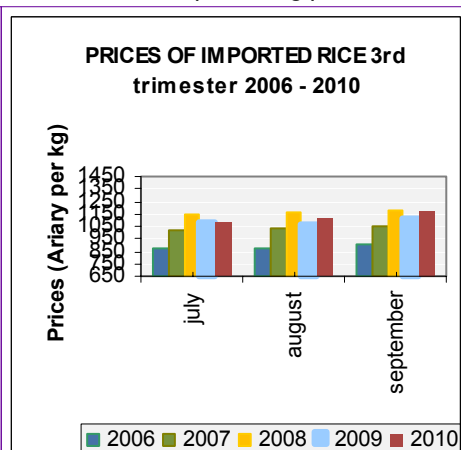
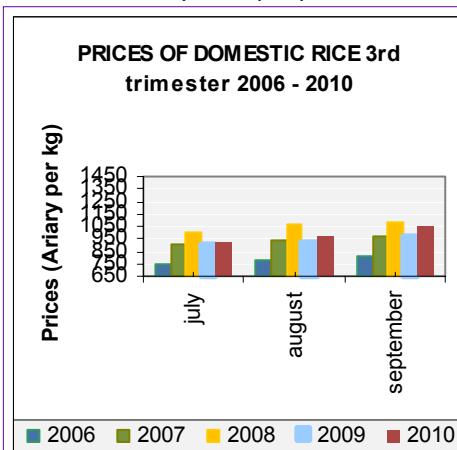
- According to the 2010 CFSAM (Crop and Food Security Analysis Mission), food consumption has improved compared to last year in rice producing areas. However, it has worsened in areas with high risk of natural disasters such as cyclone, flood or drought.
- The chart on the right shows the changes in household food consumption over the two last years in these zones. In rice producing areas, 6% of Households had 'poor' consumption in 2009. This decreased to 3% in 2010. In areas with high risk of cyclone, households with 'poor' consumption has risen from 2% last year to 16% this year 2010. The same case in areas with high risk of cyclone and flood, it has increased by 29%. Percentage of households with 'acceptable' consumption also decreased.



- Households with 'poor' food consumption based their diet on cassava, rice and vegetables few days a week while households with 'borderline' food consumption often consume rice, cassava, vegetables and sugar on alternate days. They rarely put oil in their meals and take proteins (peas or meat) once a week. Those who have 'acceptable' food consumption eat rice and vegetables almost every day. They regularly consume oil, sugar, meat and cassava. Women-headed households are more likely to have 'poor' food consumption than those headed by men. The same case for households that suffered a shock affecting agricultural activities. Besides, households with 'acceptable' food consumption have higher monthly income per capita than other households.
- Even in rural areas, food eaten during the week preceding the survey are mainly purchased or come from own production. In southern Madagascar, food from food assistance, credits and hunting / fishing or collecting are important. Effectively, food from own production in areas with high risk of natural disasters has been dramatically reduced compared to usual.

## Markets and Prices

- According to data from the *Observatoire du Riz* (ODR), price of rice in third trimester has slightly increased by 4% compared to last year. However, the price of rice is currently below the price in 2008. The surge in prices over these last three months reflected the decrease of market availability before the lean season 2010-2011.
- For staple commodities, the average price increase was around 6 percent with the highest increase for flour (by 8% from July to September 2010). The prices of sugar, energy and oil remain relatively stable.
- According to the Early Warning System (SAP), June prices in the South leveled higher than last year at the same period. Prices of grains and tubers increased slightly (by 24% for maize, 6% for rice and 7% for cassava). In contrast the, price of sweet potatoes fell by 15% percent. Prices of mutton and beef also fell. However, price of goat is slightly higher than last year. In addition, price trend over the last six years seems to predict a higher level of cereal and tuber prices than last year, and the same level of prices of ruminants as last year during the next lean season.
- In the Capital city, a further loss of purchasing power in real terms was noticed in 2010 compared to 2006. The average monthly remuneration of labor has fallen by 3.8% per year. Even if this further decline in purchasing power affects all institutional sectors, employees of public enterprises (1.1% of employed persons) have experienced the largest decline (6.1% per year) followed by those in the informal sector with 4.1% decline per year due to the massive influx of displaced workers from the formal sector or new entrants to labor market and to the fall of aggregate demand.





**Inputs were provided by the following sources:**

- WFP
- UNICEF
- FAO
- INSTAT
- Observatoire du Riz
- SAP
- IMF
- The World Bank



The Spanish Government is providing financial support for the strengthening of Food Security Monitoring Systems in Southern Africa.

## MADAGASCAR—Key Facts

*Madagascar, the fourth largest island in the world, lies in the Indian Ocean off the east coast of southern Africa and is renowned for its unique flora and fauna: it is home to five percent of the world's plant and animal species, 80 percent of which are found nowhere else on Earth.*



	2008
Population, total (millions)	19.1
Population growth (annual %)	2.7
Surface area (sq. km) (thousands)	587.0
Life expectancy at birth, total (years)	60.5
Mortality rate, infant (per 1,000 live births)	70.0
Malnutrition prevalence, weight for age (6-59 months) (NCHS/WHO)*	48%
Literacy rate, youth female (% of females ages 15-24)	68.2
GNI (current US\$) (billions)	8.9
GNI per capita, Atlas method (current US\$)	410.0
Source: World Development Indicators, Most recent data available, 2001-2008; *Childinfo database	

## Health and Nutrition

- Since the early 2009, the socio-economic situation has been constantly monitored via Multi-cluster Rapid Assessment Mechanism (McRAM) cycle in vulnerable zones of urban centers (Antananarivo, the capital, in 2009-2010 and Tulear, the chief town of South province, in 2010). Regarding access to water, almost all households in the two cities use water from improved sources (tap for more than three-quarters and separate branch for the rest). However, over half of households are having some difficulties in obtaining water because of longer and longer queues at public taps, or because of its high cost.
- The use of latrine is almost universal in both cities. However, only a quarter of households have their own latrines. The availability of shower in Antananarivo households is much lower compared to ones in Tulear (62% vs. 82%).
- According to McRAM, knowledge of HIV and AIDS is high among household members surveyed in both cities. The main ways of transmitting HIV, such as unprotected sexual encounters are well known by respondents. By contrast, blood infected products were the least well known (mentioned by fewer than 70%). Transmission from mother to child, meanwhile, is also known by many respondents in both cities.
- Concerning means of prevention, loyalty is best known by respondents. Systematic use of condoms is moderately well known (mentioned by about one third). Limiting sexual relations with prostitutes was rarely mentioned in the two cities (by less than 10%). Therefore, very few respondents still have misconceptions of means of prevention and transmission of HIV infection.
- Regarding the use of condoms, few respondents in Tulear reported using it (21%). By cons, almost all respondents in Antananarivo were in use of it. Condoms are primarily used to both prevent pregnancy and protect themselves against HIV infection. In about 5% of cases, respondents Antananarivo and Toliara to use condoms for contraception, while for 4% to 8% of cases, it is used only to prevent HIV and AIDS.