

# CRS Report for Congress

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## The Food Crisis in Southern Africa: Background and Issues

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### Summary

Six Southern Africa countries – Zimbabwe, Malawi, Zambia, Mozambique, Lesotho, and Swaziland – are facing severe food shortages. An estimated 14.4 million people in the region (up from an earlier estimated 12.8 million) will need about 1 million metric tons of food aid to meet minimum consumption requirements before the next harvest in April 2003. Observers list several causes of the current food crisis: drought, floods, disruptions of commercial farming, depletion of strategic grain reserves, and poor economic performance. The United States and other donors have responded, mainly via the United Nations World Food Program (WFP), with commodity donations and other forms of assistance. U.S. donations account for almost half of the total international donor response. How donors will meet the remaining food need may be examined during the 108th Congress. This report will be updated as new information becomes available.

### Dimensions of the Food Crisis

**Food Needs.** Six countries in Southern Africa (Zimbabwe, Malawi, Zambia, Mozambique, Lesotho, and Swaziland) are experiencing severe food shortages that will affect an estimated 14.4 million people if substantial quantities of food aid are not made available between now and the next main harvest in April 2003. Two UN food agencies, the Food and Agricultural Organization (FAO) and the World Food Program (WFP), estimate that a total of nearly 4 million metric tons of food imports (mainly corn) will be needed during the 12-month marketing year ending in March 2003 to meet the minimum food consumption requirements of the six countries' populations.<sup>1</sup> Included in that total

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<sup>1</sup> Sources of information about the extent and causes of the food crisis in southern Africa are U.N. Food and Agriculture Organization (FAO) and U.N. World Food Program (WFP), *Crop and Food Supply Assessment Mission (CFSAM) Reports*, April-May 2002; and from WFP, *Southern Africa Crisis Response*, July 2002. The Southern Africa Development Community's Food, (continued...)

is an estimated 1.2 million metric tons of humanitarian food aid. Meeting the regional food deficit will depend on the countries' ability to finance commercial imports as well as on the delivery and distribution of emergency food aid by the WFP and other agencies.

**Table 1. Southern Africa Population Affected by the Food Crisis and Their Food Aid Needs as of September 20, 2002**

Country	Population in Need of Food Aid	% of Total Population	Grain Food Aid Needs through March 2003 (MT)
Zimbabwe	6,700,000	49	486,000
Malawi	3,300,000	29	237,000
Zambia	2,900,000	26	224,000
Mozambique	590,000	3	48,000
Lesotho	650,000	30	36,000
Swaziland	270,000	25	20,000
Total	14,400,000	25	1,051,000

**Source:** USAID, *Southern Africa—Complex Food Security Situation Report*, No.12, FY2002, September 20, 2002.

**Causes of the Food Crisis.** The FAO/WFP assessments attribute the food crisis not only to weather-related factors but also to policy measures taken by some Southern Africa country governments. In particular, disruption of commercial corn production in Zimbabwe, due to the government's expropriation of commercial farms and to the illegal occupation of many other commercial farms, and the sell-off of strategic grain reserves in Malawi contributed substantially to the magnitude of the food deficit. Regional food stocks were already low, having been drawn down as a result of previous years' production shortfalls. The potential for large scale humanitarian food crises is greatest in Zimbabwe where almost half the population is at risk, and in Malawi and Zambia. Poor and vulnerable populations in Lesotho, Mozambique, and Swaziland are also at risk. Factors contributing to food shortages vary by country. They include:

- ! Severe drought or prolonged dry spells, especially in Malawi, Mozambique, Zambia, and Zimbabwe;
- ! Heavy rains and floods in Lesotho, and in south and central Mozambique;
- ! Disruption of commercial farming in Zimbabwe;
- ! Depletion of strategic grain reserves in Malawi in 2001 and the absence of a grain reserve in Zambia;

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<sup>1</sup> (...continued)

Agriculture and Natural Resources Development Unit (SADC FANR) released new emergency assessments in Johannesburg, South Africa on September 16, 2002. USAID publishes periodic reports on the food situation in southern Africa and the U.S. Government response, the most recent being Southern Africa - Complex Food Security Crisis Situation Report no. 12 FY2002, September 20, 2002.

- ! Poor economic performance in Lesotho and Zimbabwe;
- ! Delays in several countries in the region in importing corn from South Africa; and
- ! Sharp increases in prices of staple food, especially of corn, and especially in Zimbabwe and Zambia.

**HIV/AIDS.** The effects of food shortages are compounded by the highest rates of HIV/AIDS infection in the world, ranging from 13% of the adult population in Mozambique to over 25% in Swaziland. FAO/WFP (and USAID) report that high prevalence of HIV/AIDS in much of the region leaves large portions of the population vulnerable to health problems associated with food shortages, including malnutrition. In addition, those suffering from both malnutrition and HIV/AIDS are susceptible to endemic diseases, such as cholera and malaria.

**Controversy over Genetically Modified (GM) Corn.** Complicating the emergency relief effort has been the reluctance or refusal of Zimbabwe, Zambia, and Mozambique to accept U.S. corn shipments that contain genetically modified (GM) corn. The United States, the European Union, and the World Health Organization all have assured Southern Africa countries about the safety of consuming the GM corn in question. Most of the concern, however, appears to be environmental and economic, i.e., that GM corn might be planted and cross-pollinate indigenous varieties and/or ultimately be fed to livestock thus potentially impeding grain or meat exports to the European Union which strictly regulates products containing GM components. Grinding the corn into meal would obviate environmental aspects of the issue because the grain could not be planted but adds to the costs of providing the food aid. Nevertheless, Zimbabwe and Mozambique (and Malawi) have reportedly decided to mill GM corn before it is distributed. Zambia continues to reject GM corn shipments on health grounds.

**Political Interference with the Relief Effort.** In Zimbabwe, the ruling political party has been reported to be denying food aid to opponents of the government of President Robert Mugabe. USAID and the WFP are monitoring food aid distribution and are giving assurances that there will be no political interference with the distribution of relief food supplies. Concerns persist that President Mugabe's party may use food aid to influence the outcome of local elections in late September.

**The WFP Appeal.** The WFP launched an appeal on July 1, 2002 for the region, calling on donors to supply 993,050 metric tons of grain valued at \$508.3 million before the April 2003 harvest. The amount of the appeal is based on assumptions that commercial imports of about 2.6 million metric tons will cover the bulk of food import requirements and that governments and indigenous non-governmental organizations in the six countries would provide a little over 400,000 metric tons of food aid.

**Non-Food Aid Needs.** While the greatest need is for food aid, the FAO/WFP assessments also indicate that there is a need for emergency provision of agricultural inputs throughout the region. Locally adapted seed corn especially is needed to help farm families restart agricultural production in the next planting season, which begins October 2002.

## The U.S. Response

The U.S. government has responded to the food crisis in Southern Africa with about \$277 million in emergency humanitarian assistance as of November 15, 2002. Most of this assistance has been in the form of donated food provided via two U.S. programs—P.L. 480 Title II, administered by USAID, and Section 416(b), administered by the U.S. Department of Agriculture. As of November 15, 2002, USAID reported total U.S. food aid contributions of 499,193 metric tons valued at \$266.8 million. Title II accounts for 472,693 metric tons (\$253.5 million) of the total and Section 416(b) for 26,500 metric tons (\$13.3 million). The Office of Foreign Disaster Assistance (OFDA) has made non-food humanitarian assistance in the amount of \$10.1 million available. Of the food aid provided, \$137 million has so far been channeled through the WFP. World Vision International, a U.S. private voluntary organization, has been the conduit for \$9.3 million of U.S. assistance.

**Table 2. U.S. Assistance to the Southern Africa Food Crisis**

Program and Agency	Commodities (metric tons)	Value
<b>P.L. 480 Title II/USAID (including Emerson Trust Assistance)</b>	472,693	\$253,492,873
<b>OFDA/USAID</b>	na	\$10,125,211
<b>Section 416(b)/USDA</b>	26,500	\$13,294,788
<b>Total</b>	499,193	\$276,912,872

**Source:** U.S. Agency for International Development, *Southern Africa - Complex Food Security Crisis, Situation Report no. 4 FY2003*, November 15, 2002.

**P.L. 480 and Section 416(b) Issues.** FY2002 P.L. 480 allocations have already been made. Additional P.L. 480 food aid for southern Africa will have to be allocated from the FY2003 appropriations for P.L. 480 Title II. Additional food aid for use in Title II could be made available from the Emerson Trust (discussed below). The availability of Section 416(b) commodities depends on the availability of stocks owned by USDA's Commodity Credit Corporation (CCC). CCC-owned stocks of corn, the most needed commodity in the region, are limited—just 6 million bushels or approximately 152,000 metric tons. Complicating the use of CCC stocks for Southern Africa relief, however, is the Administration's decision not to use surplus commodities in food aid programs and to phase out Section 416(b) food aid in FY2003. The reduction in section 416(b) could be compensated for partly if Congress approves increases in FY2003 Title II funding as proposed in both House and Senate agricultural appropriations bills for FY2003 (H.R. 5263 and S. 2801). However, USAID estimates that the proposed increased appropriation for P.L. 480 Title II would buy about the same volume of commodities as in FY2002, i.e., about 2.2 million metric tons.

Private voluntary organizations (PVOs) and cooperatives point out that using P.L. 480 Title II regular appropriations to finance additional donations for Southern Africa

relief could result in reduced food aid for use in worldwide development projects. Some of these organizations have suggested that emergency supplemental appropriations should be made available to fund additional food aid for Southern Africa. Proponents of this course of action point to emergency appropriations used recently to fund food aid for Kosovar refugees in the Balkans and to meet food needs in Afghanistan.

**Using the Emerson Trust and Related Issues.** On June 10, 2002, at the World Food Summit in Rome, the Secretary of Agriculture announced the release of 275,000 metric tons of wheat from the Bill Emerson Humanitarian Trust.<sup>2</sup> An additional release of 300,000 tons of wheat from the trust for southern Africa was announced on August 28, 2002. The wheat will be exchanged for an equal value of corn, beans, and vegetable oil for use in the U.S. response to the Southern Africa food crisis. (The Emerson Trust is a grain reserve which can hold up to 4 million metric tons of grain—wheat, corn, sorghum, and rice—that can be tapped to respond to urgent humanitarian need or when domestic supplies are in such short supply that they cannot be made available to P.L. 480 through regular programming. After the June 10 and August 28 announcements, the trust holds approximately 2.0 million metric tons of wheat.)

Using the Emerson Trust raises the issues of reimbursement of the CCC for the grain released and replenishment of the Trust. According to current law, when the Trust is used to meet emergency food needs, the CCC must be reimbursed from P.L. 480 appropriations, but not necessarily in the fiscal year when the Trust is used. Some argue that using P.L. 480 funds for reimbursement reduces funds available for non-emergency, i.e., developmental uses, of food aid and that other means should be devised to reimburse the CCC. Also, current law does not require that the Trust be replenished after it is used, but instead provides that the Trust can be replenished by designating commodities owned by the CCC as belonging to the Trust or by purchase commodities if authorized by an appropriations act. Designating CCC surpluses to the Trust might be viewed as inconsistent with current Administration policy not to use surpluses for food aid. Use of regular appropriations might require that spending on other programs be reduced. Other spending options that Congress might consider include increasing regular food aid appropriations or providing supplemental appropriations, including emergency supplemental appropriations, for food aid.

## Other Donor Responses

Other donors, both bilateral and multilateral, have provided assistance via WFP to Southern African countries. The data in the table below show that the WFP has received total confirmed donor contributions to its regional appeal of 637,376 metric tons of commodities valued at \$287.5 million. The WFP also reports contributions of \$65.2 million to individual country emergency operations which preceded the July 2002 regional appeal. As of November 25, 2002, donors have provided 56.51% of a total WFP request of \$508.3 million to meet emergency food needs. (Additional U.S.-reported commodity donations of around 173,000 metric tons, when confirmed by WFP, would bring the coverage of the appeal to around 80%.) Of the total confirmed pledges to the regional appeal, the United States has provided \$137 million or 49% of the total. The

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<sup>2</sup> For detail on the trust, see *The Bill Emerson Humanitarian Trust: Background and Current Issues*, CRS Report RS21234.

European Union (i.e., member country contributions) has provided \$116.7 million or 40% of the response to the appeal. As for contributions to the individual country appeals prior to July 1, the United States contributed \$36.9 million or 57%, while the EU (the European Commission and individual member countries) contributed \$19.9 million or 31%.

**Table 3. Confirmed Contributions to Southern Africa Region through the World Food Program as of November 25, 2002**

<b>WFP Request</b>	<b>--</b>	<b>\$508,745,176</b>	<b>993,050 Metric tons</b>
	<b>Contributions prior to July 18 Appeal</b>	<b>Contributions to Southern Africa Regional Appeal</b>	
<b>Donor</b>	<b>\$U.S.</b>	<b>\$U.S.</b>	<b>Metric Tons</b>
Australia	2,465,859	6,353,516	14,597
Canada	314,466	5,705,127	6,697
EU	19,871,704	116,661,341	240,508
Japan	3,074,283	12,400,000	35,450
United States*	36,904,496	136,983,122	326,553
Others	2,617,985	9,383,448	13,571
<b>Total</b>	<b>65,248,973</b>	<b>287,486,604</b>	<b>637,371</b>
<b>% of Appeal</b>		<b>56.51</b>	<b>64.128</b>
<b>Shortfall</b>		<b>221,278,573</b>	<b>355,679</b>
<b>% Shortfall</b>		<b>43.49</b>	<b>35.82</b>

\* Does not include 172,640 metric tons announced by the United States but not yet confirmed by WFP.

## Conclusion

Congress may examine during the 108<sup>th</sup> Congress how to meet additional food needs in the six Southern Africa countries. Funding issues may include the role of regular annual appropriations vs. emergency supplemental appropriations to meet additional food aid requirements. In the course of considering the U.S. response to the Southern Africa crisis, such issues as the relative amounts of food aid devoted to emergencies vs. development, food aid policy with respect to using surpluses, and the use of the Emerson Trust also may be examined. In addition, the role and contribution of other donors to the Southern Africa relief effort may be an issue for Congress.