



July 2014 Policy Brief

Vulnerable Urban Households Have a Right to Be Protected Against Food Insecurity

Background

The 2014 UNDP Human Development report shows that poverty is declining globally, with the Global body's income-based measures of poverty indicating that 1.2 billion people are living with \$1.25 or less a day. However, according to the UNDP Multidimensional Poverty Index, a measure of different aspect of human poverty, almost 1.5 billion people in 91 developing countries are living in poverty with overlapping deprivations in health, education and living standards. The recent Global report shows that Zimbabwe has registered an improvement on the Human Development between 2012 and 2013. The Human Development Index (inequality unadjusted) which is a summary measure of three basic dimensions of human development namely a long and healthy lifestyle, access to knowledge and a decent standard of living has improved in Zimbabwe from 0.484 in 2012 to 0.492 in 2013. In terms of the 2013 global HDI rankings, Zimbabwe is now ranked at 156 out of 186 countries, a positive movement from its 160th position in 2012. The registered improvement of Zimbabwe on the Human development Index scale can be attributed to the positive growth trajectory that the economy registered since 2009 following the formation of the Government of National Unit (GNU). The introduction of the multicurrency regime in 2009 stemmed hyper inflation and improved the availability of goods and services.

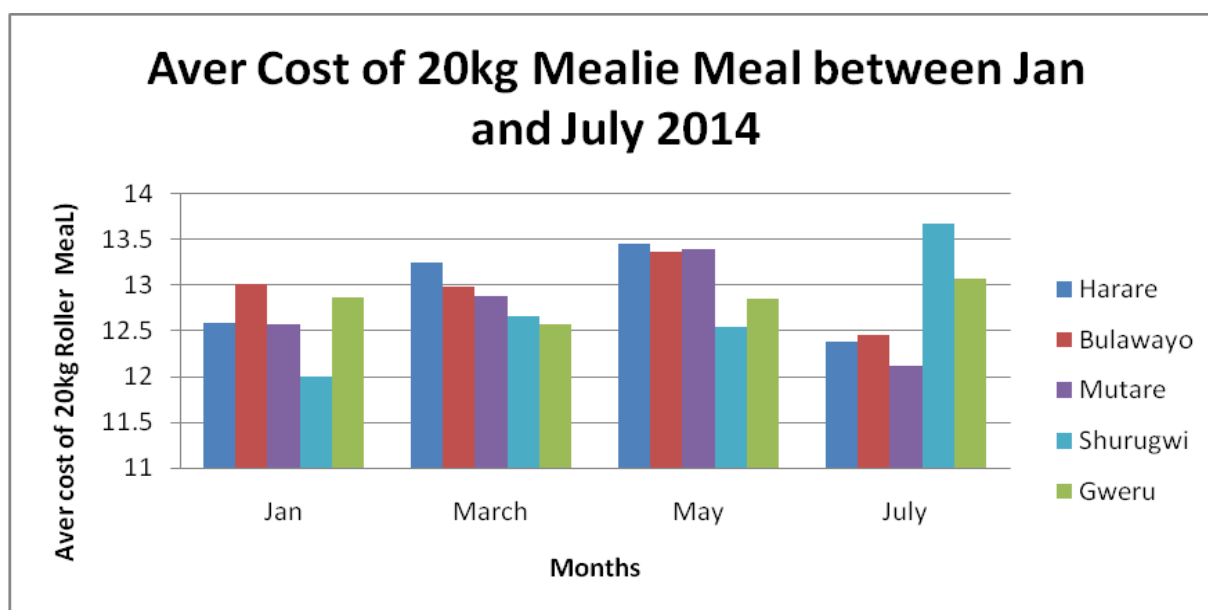
Whilst poverty is declining globally, The 2014 UNDP report has put it clear that almost 800 million people are at risk of falling back into poverty due to either structural or life-cycle vulnerabilities. Human poverty statistics in Zimbabwe are still alarming and vulnerability is on the increase. The Zimstats's Poverty Income Consumption and Expenditure Survey (Pices) of 2011/2012 found out that 62% of the country's estimated 13 million people are living in poverty mostly in rural areas and high-density suburbs. However, with the recent downward revision of the GDP growth rate to 3.4 % in 2014 as the country continues to battle with liquidity challenges, high levels of unemployment, reduced livelihoods opportunities coupled with poor service delivery and lack of safety nets for the poor has no doubt increased the vulnerability of the poor.

PRFT's July Basic Needs Basket Analysis

Through its urban Basic Needs Basket surveys, a social research tool on urban livelihoods, PRFT has found out that food insecurity is an emerging livelihood challenge that is faced by poverty stricken households, a segment of the urban population which has been growing over the past decade. According to World Food Programme (WFP), the level of food prices is one of the contributing factors to the status of food security at household level. PRFT has carried

out an in depth analysis of prices of mealie meal since January to draw conclusions for policy. The analysis of prices indicates a general downward trend in the average cost of a 20kg red seal roller meal¹ in most urban areas (Fig 1) mainly because of improved supply of the maize grain on the market. From the July BNB analysis, the average cost of a 20kg roller meal in Harare went down by 7.88% from \$13.44 in May to \$12.38 in July. The results have shown that on average, the same price trend has been observed in Mutare and Bulawayo where the cost of a 20kg red seal mealie meal has gone down by 9.4% and 6.81%, respectively. Following a fall in prices of other food and non food basic items during the month, the total value of the Basic Needs Baskets in the three urban towns went down. The average cost of BNB for a family of five (which excludes the cost of transport, education, health, personal care, etc.) is now \$520.08 in Harare, \$477.32 in Bulawayo and 474.87 in Mutare. On average, the basic cost of living figures in May 2014 were \$ 520.92, \$492, 06 and \$482.55 in the same towns, respectively. However, the analysis has shown an upward trend in both the average cost of a 20kg mealie meal and the overall cost BNB values between May and July in Gweru and Shurugwi.

Fig 1: Showing the movement of prices of a 20 kg Red seal roller meal between January and July 2014



The two key findings that PRFT has drawn from the analysis of prices trends of mealie mealie are that; prices of mealie meal in urban market have been largely volatile even after the beginning of 2013/2014 harvest and that the general downward trend in prices of mealie meal has not witnessed across all urban areas as shown in Gweru and Shurugwi where the prices have remained high relative to other towns. Already mealie meal price hikes experienced in May could have been attributed to maize supply bottle necks following the government's delays in renewing private traders' licenses to import cheap maize directly from other countries without having to buy from the Grain Marketing Board (GMB).

¹ PRFT monitors the price of Red seal roller meal as a preferred brand in its Urban BNB Surveys

These findings are of great concern. Firstly in the sense that fluctuations of staple food prices, greatly affects the poor, urban households because they are net buyers of food, ie they spend a large share of their income on food. To be precisely, the most vulnerable net buyers are female headed households and relatively high food prices have repercussions on female- headed households in particular partly because they tend to proportionally spend more on food than male households (FAO, 2008). Since low income earners devote a larger proportion of their income on food items, it also follows that sustained increase in food prices substantially reduces their real income and for such households, the immediate impact of relative high prices is the reduction in quantity and quality of food consumed.

Through the BNB surveys, PRFT has gathered first hand experiences on how the households are coping in the face of inadequate resources. Households in PRFT's urban Sentinel surveys in Shurugwi have revealed that they are employing adaptive strategies which range from dietary changes to rationing. For example, households indicated that they are relying on less preferred and less expensive food to cope with the high cost of food. However, to achieve a balanced diet and a healthy lifestyle, the Food and Nutritional Council of Zimbabwe recommends a minimum of 2100 calories per capita per day for urban households. Therefore, such coping strategies have devastating health and nutritional impacts especially on vulnerable groups such as the sick, elderly, children and women.

Key Policy Recommendations

It has become evident that poor households bear the consequences of the price hikes and fluctuations on urban market and therefore it is critical for the government to implement food governance policies targeting urban poor who have become equally vulnerable to food insecurity as their rural counterparts. Recent studies on urban poverty and food security highlight the need for governments and local authorities to urgently deal, not only with problems of urban livelihoods in general but with issues of urban poverty and food insecurity in particular. PRFT believes that food governance is not only an issue of production, but extends into other spheres such as those of marketing and distribution as well as pricing and affordability, which are key concerns of the urban poor.

Due to the inter linkage between rural maize produce and urban markets prices, the government needs to timely set and announce maize prices to promote efficiency of the agricultural marketing system and improved timeous supply of maize on the urban markets. This will ensure greater stability in urban market prices. The GMB should also ensure even distribution of maize across all urban areas especially in towns which are mostly characterized by frequent deficits.

To achieve food security as one of the pillars of the ZimAset, PRFT also recommends the government and other players to allocate more effort and resources towards understanding and addressing the food needs of the urban poor. Verifiable information on urban food security

should be made available to allow informed government policies and interventions towards food governance. Poverty Reduction Forum Trust continues to research deeper and bring to the fore, systems and policies that push ordinary Zimbabweans into poverty and proffer recommendations towards abating the situation.

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