

A Market Support Programme to Address an Urban Food Crisis in Zimbabwe

By: Kristy Allen

Kristy Allen-Shirley is the Communications Coordinator for the Consortium for Southern Africa Food Security Emergency (C-SAFE), based in Johannesburg, South Africa. CSAFE is in its second year of implementation for a coordinated 'developmental relief' program in Malawi, Zambia, and Zimbabwe. The C-SAFE membership includes World Vision, Catholic Relief Services, CARE, ADRA, Emmanuel International, Save the Children US, Save the Children UK, Africare, Salvation Army and Malawi Red Cross, and is funded by USAID's Office of Food For Peace.



It is extremely difficult to address urban food emergencies through traditional general ration programmes. The logistic and targeting challenges are particularly daunting. The market support programme described in this article demonstrates an alternative type of intervention which circumvents many of these difficulties. This type of programme may also be suited to certain rural contexts and may offer a model for future programming (Ed).

During a time when Zimbabwe's urban population has seen its purchasing power slashed by soaring inflation and widespread unemployment, at a time of limited access to food, an innovative market intervention is working to rebuild the flailing commercial sector and sustain the urban poor.

The USAID funded Market Assistance Pilot Programme (MAPP) is providing beneficiaries in Zimbabwe's second largest city, Bulawayo, with a low-cost maize alternative - sorghum - through existing commercial channels. C-SAFE, comprised of Catholic Relief Services (CRS), World Vision (WV) and CARE, took the step of piloting the programme in September 2003 as the combined effects of drought, poor economic policy and HIV/AIDS had left livelihoods frayed and urban communities powerless to emerge from a state of chronic food insecurity.

Relief and development projects have traditionally focused on rural areas, however in Zimbabwe's case the needs in urban areas are equally critical. Massive market failures, the evaporation of infrastructure and critical wounding of the local economy means that the ability of urban households to recuperate losses is limited. At the same time prospects for hunger relief are poor.

The MAPP

As an alternative to traditional food distributions, CSAFE approached existing commercial entities that could facilitate a program aimed at 'filling the market gap' with an affordable maize substitute. A proposal to use sorghum initially encountered resistance from both retailers and consumers, given its lack of commercial presence in the local market for several generations. However, within weeks, 150 retailers in 40 high-density Bulawayo suburbs agreed to sell the cereal. Demand exploded from 30 tons to 300 tons a day and by November 2003, seven local millers were milling and packaging the USAID sorghum to meet consumer demand.

At the height of demand, MAPP sorghum had an average shelf life of less than one hour. Retailer Caroline Makoni of Lucky 7 store in the high-density suburb of Pumula is quoted as saying "During November, the sorghum would sell out in no time. The availability of a cereal in our store really provided a much-needed and affordable essential to customers. Today there is a little maize available on the market, though it is comparatively expensive, so most of my customers still rely on the sorghum." Lucky 7's three tonne orders now sell out in about two weeks. Each 10kg bag currently retails for Z\$6000 (USD1.20).

The price of sorghum set by C-SAFE is determined by income, household size, and the retail price gap between maize and sorghum. When cereal prices rise, the potential for side marketing increases, so C-SAFE monitors the market activity and adjusts the sorghum price accordingly. Retailers are also permitted a 15% mark-up on the product to ensure profitability. The sorghum is an easy to sell commodity



C-SAFE, Zimbabwe, 2004

A 10kg bag of sorghum will feed seven members of the Tshuma household.

and although it is priced to move, it stays in the target market.

Profits made by the purchase of sorghum are then reinvested in the programme. Local processors, distributors and retailers are also encouraged to invest in producing the product locally, the first step towards ensuring sustainable production at the local level - which is the ultimate goal of the MAPP initiative.

MAPP has also contracted the country's fourth largest milling operation (Induna Foods) to begin processing the sorghum meal.

Impact of the programme

MAPP has been instrumental in the resuscitation of the milling sector. By September 2003, most of the bigger milling companies were operating for at most, one day a week, while some smaller companies were lying idle. Prior to MAPP, only one miller had experience in milling sorghum. By the end of the pilot phase, six additional millers had gained expertise in milling sorghum. MAPP was instrumental in building capacity of the millers. Retailers also reported increased sales of commodities as a result of retailing sorghum, indicating that MAPP also helped revive business in the retail sector.

The MAPP targeted more than 800,000 families in the Bulawayo area. Preliminary estimates suggest that the sorghum meal prices allowed most poor families in the target area to purchase sufficient food to feed all family members three meals per day for the six month duration of the pilot programme.

The vulnerable low-income households could easily access the sorghum meal from the retail outlets. However, retail outlets did not exclude the higher income households and targeting will continue to be a challenge, especially during periods of maize meal shortage

Case studies

Sibusiswe Tshuma, 31, a mother of five and sorghum consumer explained that prior to the MAPP intervention in her area, her family, whose children range from 7 to 15 years of age, would consume just one meal a day. The sorghum bought from her local store has provided the family with two bonus meals each day. "It is so very important to have the sorghum available to us at a good price. For us, it has become so expensive to pay for schooling, clothes and other necessities. Basic supplies are hard to find and we continue to struggle each day. The extra meals each day are improving our health and energy for my children."

Faith Ncube has been purchasing sorghum regularly over the last six months from her local store in suburban Luveve. The 10kg bag she buys each week feeds her household of four adults and three children. She admits that she would prefer maize if she could afford it, but the family's income will only stretch to a sorghum purchase. Faith affirms, "We use the sorghum for breakfast and lunch, which is better than six months ago. Before we had sorghum, we only ate one meal a day. It's still hard today as we only have enough money for food - we just can't afford anything else." The Luveve grocery store sells around 400 10kg bags a week to its urban poor customers.

The Bulawayo market is now consuming around 1000 tonnes of MAPP sorghum each month. In fact, 77% of the high-density population (460,000 people) are being fed per month by the MAPP.



C-SAFE, Zimbabwe, 2004

Small-scale retailers say the low-cost MAPP sorghum is popular with customers

Evaluation of the programme.

Following implementation for eight months, C-SAFE requested an external evaluation. Specific objectives of the evaluation were:

1. Assess compliance to donor (USAID), Government of Zimbabwe (GoZ) and internal NGO (CRS, WV and CARE) operational requirements, regulations and standards for food distribution.
2. Assess programme performance in accordance with programme objectives.
3. Make recommendations for MAPP expansion.

A team of independent consultants conducted the external evaluation from 15 April - 31 May 2004.

Data collection was in two parts

1. The implementation of a quantitative end of project survey involving 540 randomly selected households where data collection was conducted by C-SAFE and data analysis by the consultants.
2. Stakeholder consultations, key informant interviews and review of project documents by the consultants.

The main lessons detailed in the evaluation may be summarized as follows:

1. Contrary to the initial misconceptions by retailers, the urban population in Bulawayo accepted sorghum meal. This finding emphasized that sorghum was appropriate to local conditions and preferences.
2. Low-income households will always self select and continue purchase of sorghum meal as long as it is affordable compared to maize meal.
3. Sorghum meal was preferred as a breakfast cereal rather than thick porridge.
4. To increase the nutritive value of sorghum meal, there is scope for fortification with vitamins and essential minerals for use by HIV/AIDS patients.
5. The rate of milling should be determined by demand. However, it is difficult to forecast demand in an environment where GMB grain supplies are erratic. This pilot phase has been vital in indicating monthly trends in consumer demand for sorghum meal. This will help effective planning for the production of sorghum meal during expansion.
6. Extraction rates are crucial in sorghum milling. There is need to understand the determinants of extraction rates.
7. It took approximately nine months to clear the first consignment of sorghum. It is therefore important to note that storage costs will always be high due to the slow movement of the commodity.
8. Beneficiaries prefer 5kg packages as the majority of the low-income households are on weekly wages or petty trade and therefore cannot afford purchase of large quantities at a time.
9. Leakage and side marketing will always occur if sorghum meal prices are too low when compared to maize meal. This invariably occurs during periods of maize meal shortages.

In order to improve implementation of the intervention, the following recommendations were proposed:

1. The format of the monthly reports should be standardized. It is critical that data presented in all reports is adequately checked for accuracy.
2. A Working Group made up of relevant experts from the C-SAFE consortium should be set up to regularly review the implementation of the expansion.
3. Stakeholder participation and support is critical to the success of the programme.
4. Debtors Age Analysis records should be maintained so as to monitor that agreed credit limits and periods are not exceeded by debtors.
5. MAPP has identified millers who are capable of delivering a quality product at the required extraction rate. These millers should be given first preference to participate in expansion of the programme.
6. Targeting criteria should be continuously reviewed to ensure that the most vulnerable are reached.
7. The hyperinflationary environment will demand frequent reviews of sorghum meal prices making it impossible for MAPP to keep to the prices printed on the packages. MAPP should consider abolishing the printing of the retail price on the package but instead, insist on the display of a big banner indicating the price of the meal at the retail outlets. Consistent display of this banner would be a requirement for the retailers to remain on the programme. In addition, during expansion, the programme could invest in a bi-weekly bulletin to inform beneficiaries on sorghum meal price and other related issues.
8. Cleaner sorghum grain should be imported from the USA. If this is not possible, the programme should consider cleaning the bulk grain before bagging to get rid of the dust and plant residue. Quality assessment tests should be conducted on each consignment. It is not essential that the sorghum be dehulled as most of the millers have the capacity to do this.
9. A study to look at the sorghum extraction rates and its determinants should be commissioned.
10. Sorghum milling has been commercialized in Botswana and South Africa. The quality of the sorghum meal should be standardized across millers. Before expansion acceptable 'quality parameters' should be defined for each miller to adhere to. In addition, spot-checks on the quality of the sorghum meal should be conducted both at the miller and retail premises.

1. A clear strategy for bran disposal should be developed. It is strongly suggested that bran disposal should be left to the millers.
2. The programme targets vulnerable groups who, due to financial constraints, have problems accessing sufficient food to meet nutritional requirements. To increase the nutritive value of the sorghum meal, fortification with micronutrients, vitamins and essential minerals should be considered.

Expansion of the programme

In recognition of the MAPP's impact and its potential to assist many more vulnerable households, USAID Food for Peace has approved a MAPP expansion to Gweru, targeting over 100,000 urban poor; an expansion to Chitunguiza, targeting 250,000 urban poor; and the continuation of the original programme in Bulawayo.

This vital expansion will support C-SAFE's goal to improve and maintain the nutritional status of targeted vulnerable groups; increase support to households affected by HIV/AIDS; increase and maintain agricultural productivity and improve market linkages.

C-Safe partners believe that the MAPP is a highly promising intervention with a workable exit strategy that leaves behind sustainable working relationships. It links all levels of community from consumers to small-scale traders to experienced millers and eventually aims to link with local producers of sorghum. Because sorghum is also a drought resistant crop, it's better suited to the semi-arid climate of Matabeleland than maize. MAPP had anticipated that proceeds from the programme would be used to support initiatives that would promote local production of sorghum. Though this programme did not demonstrate any progress on this objective this will be a focus for the future.

For further details contact; Kristy Allen: kristy.Allen@c-safe.org phone +27 (0) 11 679 3601, cell +27 (0) 72 783 3696, fax +27 (0) 11 679 3597, website: www.c-safe.org

Taken from Field Exchange Issue 23, November 2004

<http://fex.ennonline.net/23/market>
