

# **SOUTHERN AFRICA: FOOD SECURITY POLICY OPTIONS**

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# THE SADCC REGIONAL FOOD RESERVE PROJECT

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## INTRODUCTION

Food security is achieved when people have access to sufficient staple foods to enable them to lead healthy working lives and participate in the growth and development of the societies in which they live.

In the present state of knowledge it is impossible to define precisely what constitutes sufficient staple food. The requirement varies widely among individuals, environments, and conditions--especially when people are under sustained nutritional stress. Nevertheless, nutritionists have broadly established the general requirement needed for reasonable health and activity. Access means more than just having available a supply of food. It also means the ability of a family to acquire (grow or buy) sufficient food to meet its perceived needs. Recent performance clearly indicates that the region as a whole has experienced deteriorating food security, although this deterioration is not uniform. Food security has improved markedly in some areas of the SADCC community, especially where household incomes have increased such as among emergent commercial farmers.

### **The regional initiative**

While the full-scale achievement of food security for all the peoples of Southern Africa may be a long way off, the *Lusaka Accord* (1980) established that improved food security was an essential objective in the drive towards economic liberation. As its strategy, the *Accord* identified and called for giving priority to the possibility of coordinating national reserve policies and facilitating interstate exchanges.

Regional cooperation on food security was therefore one of the first concepts launched through SADCC when the Council of Ministers asked for the preparation of a plan of action at Maputo in November 1980. Responsibility for preparing and implementing the plan was given to the Government of Zimbabwe and its proposals were developed into a programme of nine complementary and interlocking food security projects (SADCC, 1982). These included the Regional Food Reserve and Food Aid projects.

SADCC's Regional Food Security Programme is directed at consolidating regional and international experience; strengthening cooperation in planning

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the use of resources between member states; and identifying and implementing projects and programmes which promote food security and expand intra-regional exchanges.

### **Trends in food security**

During the 1970s, the general trends in population growth and food availability in the region indicated a worsening situation. Supply trends to 1983, as measured by production over the region as a whole, indicated that cereal yields had fallen to 85% of their mid-1970s level. Meanwhile, SADCC's population had increased by approximately 3% annually. At this rate, the region's population will double in less than 25 years. Although planted area has increased, output has only grown 1.5% per year. Analysing these figures, the Food and Agriculture Organisation (FAO) projected that, on the trend, the self-sufficiency of the region will decline from 95% in the period 1979-81 to 64% by the year 2000 (FAO, 1984). Even if the annual rate of farm productivity can be increased to 3% per annum (double the present rate), the region would still face a decline in self-sufficiency of domestic production.

Food security is therefore under continued threat as internal sources of supply are increasingly replaced by imports and food aid. Moreover, the increasing demand is mostly the result of population growth and disguises the uneven distribution of economic growth.

### **Pre-feasibility study of SADCC's Regional Food Reserve**

As part of the Regional Food Security Programme, SADCC undertook a study in 1983 (Technosynthesis S.P.A., 1984) to examine the feasibility of developing physical stocks to act as a regional food reserve, primarily against supply fluctuation. It concluded that, when compared with the cumulative impact of calculated individual national food stock needs to cover the possible requirements, a regional food stock was cost-effective, economic, and desirable. As a result of this conclusion, the study recommended the construction and stocking of large, dispersed grain storage depots to be held under SADCC control.

After extensive consideration, the recommendations were not implemented, mainly on account of financial and political factors. The financial constraint was the difficulty in obtaining sufficient funding for construction, to acquire stocks, and to finance operating costs. Had funding been available, management of the substantial dispersed stocks called for supranational decision-making power. Taking into account the political nature of food security, this level of authority was unacceptable to the SADCC community.

The financial implication of the project is illustrated using 1986 cost estimates. Counting only direct costs, grain storage costs about US\$30 per

mt per year (The addition of indirect costs could well double this figure). Thus, the annual cost of storing one million mt is approximately US\$30 million. In addition, the fact that the reserve would tie up US\$100 million of capital in grain alone must also be taken into account. These sums may be contrasted with central government spending on agriculture by SADCC states (excluding Angola, Mozambique, and Lesotho) which averaged approximately US\$360 million per year during the early 1980s.

## CONSTRAINTS TO REGIONAL FOOD SECURITY

Food insecurity results from either the unavailability of sufficient food to meet the basic needs of the urban and rural populations, or the people who need it are unable to obtain it—even if it is available. Whether the scale is regional, national, local, or at the household level, the result is that people do not get enough to eat. Regardless of the reasons for food insecurity, the constraints and solutions are different at each level.

The first problem is that presently it is impossible to accurately calculate food requirement or demand. Not only is it difficult to precisely calculate the biological needs of an individual, but also calculating demand must take into account the influence of economic-purchasing power and want, as opposed to need. Many experiments, observations, and estimations of need have led to widely-ranging estimates of what constitutes security of supply. For the cereal component in the average diet, 186 kg of cereals per person per year was used in the preparatory work for this project<sup>2</sup>. This of course takes no account of the fact that some households are unable to pay for the needed cereals.

It is a fundamental duty of government to establish conditions under which sufficient supplies are made available, whether through domestic production or imports. Therefore, insufficient or unreliable production is the first constraint and imports must make up for deficits if this duty is to be discharged.

### Constraints to supply

In Southern Africa, high rainfall variability ensures that staple food production will vary from year to year. This is illustrated by comparing the gross production per caput in SADCC. In 1986, a good year, the region produced

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<sup>2</sup>The feasibility study for the Regional Food Reserve (Vakakis and Associates, 1987) settled a figure of 186 kg of cereals (wheat equivalent) per person per year for predominantly cereal-eating populations.

a gross output of 179 kg per person. Estimates made in June for the 1987 harvest, afflicted by the February drought, were 123 kg per person.

In spite of the success of some member states in achieving an exportable surplus, others remain deficient in basic food staples. This is because of major security problems, the package of technical inputs and incentives does not sufficiently attract the farmer, he cannot reach the market, or the natural resource base for food crop production is inadequate. These are all constraints on production. Some are temporary and can be removed, some cannot. There are large areas and communities which could become surplus producers of staple food crops, given adequate access to markets and appropriate policies regarding production techniques, inputs, and incentives.

### Future prospects

At the regional level, available evidence suggests that through continued research, it should be possible to increase the food supply. Inherent cereal supply prospects are so good that, in areas which are now surplus, the future priority will shift from accelerating the growth in cereal production to stimulating or maintaining growth in incomes and employment in rural areas. This will require a planned diversification into noncereal crops and an increase in nonagricultural employment opportunities.

### The problems of physical stocks

During the early 1980s, considerable international concern arose over food security, both in Africa and elsewhere. National supply sources were slashed by drought and other causes. Rural economies were setback, reducing home production and family income. The traditional approach--holding sufficient contingency reserves as physical stocks--was challenged by the resulting emergencies which were too demanding to be handled by contingency reserves as physical stocks. Stocks were seldom in the right place or in good condition when needed, resulting in costly overstocking. Large reserve stocks have an adverse impact on trade and the cost of maintaining large stocks sometimes proved to be an inefficient use of funds. At the same time, these stocks are more or less inaccessible to people without money, unless they are given away. Furthermore, subsidised local stocks (and food aid) are likely to depress local prices and therefore production. Moreover, it is politically difficult to maintain stocks of food as a reserve in areas of widespread food insecurity. Finally, since such areas are frequently poorly serviced and in unfavourable climatic zones, it is often technically difficult to maintain stocks in condition.

### **Constraints to access**

The availability of food stocks does not necessarily mean that households will have access to the supply.

### **Trade**

Even though surpluses and deficits within the region crudely balance, only 5% of all trade within the region involves food. A root cause of this situation is difficulties with the interstate exchange rates and the scarcity of foreign exchange. Even when fully financed externally as food aid, it is still difficult to implement these agreements on account of transport constraints. Nevertheless, it is evident that large opportunities exist to increase the volume of cereal trade within the region.

Moreover, because annual fluctuations in cereal production within the region as a whole are lower than for any single country, increased intra-regional cereal trade offers an opportunity to reduce the costs of maintaining reserve stocks in surplus countries. Thus, increased trade in staples would enable all countries to reduce the level and costs of their national reserves.

This suggests that expanding trade, as stated in the *Lusaka Accord*, must become a major part of the regional food security strategy. It could both reduce food import costs and reduce the number of years during which SADCC countries would have to import food from the rest of the world.

### **Foreign exchange**

At the national level, some states lack the resources to produce sufficient staple food. Such states must obtain foreign exchange to import the balance of their requirements. Other states are sometimes importers and sometimes exporters. Such states face the decision of how much may be spent to maintain stock levels and how much will be reserved to import in time of need. Any surplus will be traded. In such situations, foreign exchange (and therefore trade) is essential to food security to ensure an adequate supply for urban and deficit rural areas.

### **Declining subsistence production**

At the subnational, village, and household levels, rural people must produce sufficient food to feed themselves, at least until households produce an economic surplus sufficient to finance local imports. However, most SADCC producers are subsistence based family farmers, due to slow development of the market economy. Coupled with growing population pressures and limited holding size, this has forced intensification of the traditional farming systems. Once intensified beyond a critical level, or stressed by drought, yields often decline rapidly.

Faced with growing population and decreasing availability of good quality land, food security can only be maintained by producing more through intensification, by earning more cash through increased market production, or through greater access to nonfarm employment. The essential need is to raise rural incomes.

### Low rural incomes

To sustain economic development, markets for industrial products are needed. These markets must be found among the rural population. The many difficulties in raising rural incomes--insufficient marketable production, risks to changing subsistence management techniques, job creation, and divestment in times of drought--contribute to domestic food insecurity. Any food security project must contribute to overcoming these constraints.

### Information

It is fundamental to national food security that food production and reserve policies are more readily and more economically made in the context of the plans and performance of neighbouring states within the community. Experiences can be shared and, where appropriate, technical assistance provided from regional resources.

## RATIONAL FOR THE SADCC REGIONAL FOOD RESERVE PROJECT

- On a subnational basis, a considerable part of the SADCC community's expanding population is no longer able to either secure its own food needs or find sufficient employment in either rural or urban labour markets. The trend is complicated by recurrent drought, war, and slow economic growth. The effects are reflected in the growing imports of staple foods and increasing dependence on food aid programmes. Commodity food aid often depresses local prices, making it difficult for small-scale farmers to recover and reinvest in order to produce a marketable surplus after, for example, a serious drought. The end result of the decline in home farm production is often increased migration off the land which swells the urban population. This trend in itself is a major constraint in African development and constitutes a fundamental food security problem. Once recognised, much can be done to avoid these negative aspects of food aid, while simultaneously taking advantage of the wealth transfer necessary to counterbalance the catastrophe.

Thus, even though it may actually contribute to the downward spiral of traditional farming systems under pressure, food aid is a vital tool to interrupt this trend. Resources put into providing food aid can be channelled towards supporting the local economy.



Given the regional potential for sufficient production, regional level constraints--such as stocking policies, scarcity of foreign exchange, and transport priorities--make it difficult to transfer surpluses. At the national level, appropriate policies are required to release the potential for economic production, marketable surpluses, and to expand rural employment. To minimise the economic costs of keeping reserve stocks, it is necessary to increase efforts to forecast both production and demand (Oxford, 1987). Efforts to increase the exchangeability of currencies within the region are both needed and welcomed.

### **The updated food security strategy**

SADCC's current food security strategy takes account of these constraints and the changing food production situation in the region. It recognises that increasing food production and achieving national food self-sufficiency, *per se*, will not automatically end hunger and malnutrition. Therefore, the strategy aims to increase household, national, and regional food security by encouraging activities that will enhance the ability of all people to acquire an adequate diet.

The strategy reiterates the importance of increasing food production in food deficit member states where this can be done economically. It encourages crop diversification projects, especially for export crops, horticultural crops, dairy products, livestock production, and raw materials for industrial use where production of staple foods is insufficient or uneconomic--and projects to create employment. It also promotes rural small-scale agro-industries as a critical component to increasing off-farm employment.

Meanwhile, SADCC's need for food aid has been increasing steadily. While cooperating partners have generously supported food aid needs, programming and delivery have been difficult to plan. Implementation has been haphazard and to some extent managed confidentially. These aspects have tended to make trading more difficult and obscured important issues.

### **The feasibility study**

Following the decision not to implement the 1983 pre-feasibility study, a further study was undertaken to identify a more flexible and less costly solution, but one able to take advantage of the economic benefits of regional, as opposed to national food security programmes. This study (Vakakis *et al.*, 1987) reviewed levels of requirement for a regional food reserve and possible management alternatives, and developed detailed objectives and an implementation programme. SADCC's Regional Food Reserve Project (FRP) is being established on the basis of this feasibility study as part of the core of the Regional Food Security Programme.

## PROJECT DESCRIPTION

### **Objectives of SADCC's Regional Food Reserve Project**

The FRP is being set up as a focal point for mobilising resources needed to support a regionally based food security reserve facility. The resources of the FRP will be mainly financial, instead of conventional physical stocks. The facility has the immediate objective to increase trade in food grains between surplus and deficit member states within the SADCC community. The essential purpose is to alleviate food shortages in member states facing emergencies and unable to quickly assemble the food required or the foreign exchange to buy it. Also, the project has long term objectives in data gathering and project formulation to help member states improve long term food security.

The project also has a large parallel-training component. It will support technical and management training to improve storage and marketing, provide training in the distribution and use of food aid, and support workshops on food production and marketing policy.

The main objectives of the FRP are to:

- o provide a mechanism to enhance intraregional food trade;
- o establish a regional food reserve facility to enable quick response to natural calamities occurring in SADCC member states and to serve primarily as a buffer mechanism in the event of serious drought;
- o secure food supplies on optional forward purchase where appropriate;
- o assist member states in alleviating structural food shortages, including those cause by insufficient foreign exchange, and to stimulate increased food production within the region; and
- o provide support for training in grain storage, management, and distribution.

### **Project activities**

To achieve these objectives, data must be collected and analysed to estimate demand on the resources of the FRP. Supplies must be identified and arrangements for transfer made, either directly or through the project's own resources. Resources to overcome the foreign exchange constraint must be identified and secured. Contracts will have to be drafted on behalf of cooperating partners supporting the project or finalised by the project itself. Prices must be established for forward purchases (emergency standby reserve) and negotiated for current purchases. In the event that demand on the facility exceeds the resources of the FRP, available resources will have to be allocated between beneficiaries. Deliveries will have to be arranged, paid for, and checked.

Simultaneously, the project must implement several development aspects. These activities include a sustained effort to improve trading conditions, establish the parallel-training components, analyses of problems encountered, and identification of long term food security projects at the household level. In addition, the FRP must effect its own training programme.

### **Project components**

A Regional Food Reserve Board, to be established with a representative from each member state, will direct and monitor the project. The reserve management, consisting of a small management team within the Regional Food Security Programme's Food Security Technical and Administrative Unit (FSTAU) will conduct day to day operations. Additional components will include a parallel-training programme and the foodstuffs or commodities to be processed through the programme.

In its development of the project, SADCC has made it clear that the reserve should be able to function with all foodstuffs provided under food aid programmes. In defining food stuffs, it is necessary to take into account that:

- o the FRP intends to, where possible, use aid provided by the project to stimulate demand from within the region;
- o it will be difficult, at least initially, for the food reserve management to prepare supply and demand projections on a wide basis; and
- o funds or commodities provided by cooperating partners may be conditional.

Therefore, it is anticipated that the FRP will start up mainly using white maize. Subsequently, the food reserve management may become responsible for other commodities provided through triangular or other exchange mechanisms.

### **Size of the reserve**

The amount of foodstuffs processed by the FRP in a given period will be a function of the demand by member states and the resources made available by SADCC's cooperating partners. However, it was necessary to calculate the indicative size of the reserve. This projection was based on the estimated maize required to provide vulnerable groups (under the World Food Programme's working definition) with a four-month buffer supply of food grains in the event of serious and region-wide drought.

It is estimated that the FRP will require a maximum of 356,000 mt in any one year during its three-year establishment period. It is evident that this maximum, determined by the buffer basis, is small--compared to the total food aid needs of the region. The project is not intended to supplant food aid previously provided under bilateral assistance. Moreover, it would be too

ambitious for a new project with long term objectives to take on all the problems of war relief; and it does not attempt to do so. In view of the food aid requirements of the current season, it is hoped that the cooperating partners will, as far as possible, make their contributions to the project incremental to the aid they have already provided to the region.

The project, as approved by SADCC's Council of Ministers, will be established for a three-year initial phase as soon as funding can be assured for the management and training components. It is anticipated that the reserve function will become operational during 1988, subject to the support of SADCC's cooperating partners (Argentina has already committed grain). While it is intended that the FRP will become increasingly self-sustaining, funding for the initial three-year period will come almost entirely from external sources. At the end of its second year, the principles, experiences, and development needs of the FRP will be reviewed.

### **Project costs**

Over the proposed three-year period required to establish the programme, an estimated US\$209 million (1986 dollars) will be required for grain purchases and management (including board meetings, management staff, and operations; specific training; and appropriate technical assistance)--an average of US\$ 68.7 million per year. This estimate includes funds to purchase 356,000 mt of maize per year. The cost of management over the three-year period is estimated at US\$2.1 million, or 1% of the total estimated project costs. An indicative figure of US\$2.7 million was included for the parallel-training programme, but this has yet to be confirmed by a pre-implementation study to be carried out during 1988. Costs for secondary distribution of grain supplied, time input by officials, and minor and incidental costs at conferences are not included in the estimate.

By the third year of the project, annual costs of operating the FRP are expected to stabilise at US\$321,000 (1986 dollars). Subject to the favourable conclusions by member states on the midterm project review, it is expected that member states will begin to shoulder at least part of the FRP's management costs.

## **ORGANISATION AND MANAGEMENT**

The FRP has been set up within SADCC's Regional Food Security Programme. The governing body of the FRP will be the SADCC Food Reserve Board. The board which will be responsible to the SADCC Council of Ministers through the Government of Zimbabwe, as coordinator of SADCC's Food Security Sector. For practical purposes, the board will report to the SADCC

Committee of Agriculture and Natural Resources, of which Zimbabwe is chairman.

A small, full-time food reserve management team will service the FRP. This team, headed by the reserve manager, will be an integral part of SADCC's FSTAU, which is responsible for operating the Regional Food Security Programme. The team will be staffed by professionals drawn from SADCC member states, supported during the training and establishment period by technical assistance where appropriate. The board will direct and monitor the team, but the staff will be administratively responsible to the Food Security Sector Coordinator.

### **The Food Reserve Board**

The board will be composed of one representative from each member state appointed by his government. The work of the board will cover different technical fields with representation supported at the discretion of the government concerned. The board must meet at least twice a year. In keeping with SADCC procedures, the board will conclude its work on the basis of consensus among member states.

The board will determine the priorities and monitor the work programme of the food reserve management team. Representatives will be the management's natural contact point in their own states. Specific duties of the board will include:

- o approving the assessments and forecasts of the amount of foodstocks required by the project;
- o recommending the pricing structure for intraregional foodstocks available to the project for forward purchase and establishing prices according to that structure; and
- o allocating the reserve stock on the basis of the needs of member states in the event that resources are insufficient to meet all requirements.

The board may authorise management to trade foodstocks or other commodities where this is seen to improve regional food security. This provision is intended to help make the project self-sustaining. The board may also reallocate foodstocks entitlement not required by any member state.

The board may authorise imports from outside the SADCC region when foodstocks made available from within the region are insufficient or too expensive to meet project requirements.

### **The Food Reserve Management**

#### **Responsibilities**

This unit is the executive arm of the board. Its specific operational duties include:

- o assessing the demand and supply positions of appropriate foodstuffs within the region to determine requirements using mainly, but not only, information collected and reported by the Regional Food Security Programme;
- o administering commodities or funds acquired for the project;
- o preparing necessary technical and situation reports and related recommendations concerning project operation;
- o checking the quality and quantity of the foodstuffs secured by the project; and
- o obtaining verification from member states on the receipt and distribution of the foodstuffs.

### Staff

The reserve management staff will include three full-time professionals to manage day to day operation during the course of the three-year project. The project will fund their salaries, allowances, and transfers.

The FSTAU administrative section will be responsible for office management, vehicles and equipment maintenance, processing of publications, travel arrangements, administrative aspects of conferences, communications, financial administration of the reserve management, including operating funds and purchase of equipment, and the preparation of accounts.

The reserve manager will be responsible for managing the unit, including operational transactions regarding the resources allocated for foodstuffs; for communications; and for coordinating the programme with the other food security projects.

The food security analyst will be responsible for making estimates, data analysis, evaluation of food requirements, and proposals for the arbitration of food allocations. He will also be responsible for the data, trade, and statistics held and processed by the reserve management, and for developing area-specific proposals on the productive use of reserve resources to help raise rural incomes in the long term.

The grain trading manager will be responsible to the unit manager for evaluating the potential for supplies; for managing purchases, including futures and options as decided by the board; for drafting contracts and transactions on behalf of the reserve management; and ensuring transport arrangements and quality control.

These professional staff will be drawn from SADCC member states. Depending on their experience and qualifications, short term and extensive training will be provided. Technical assistance will be needed to backstop the training and run-in periods.

### **Assistance from member states**

Under the Project Implementation Memorandum approved by the Council, member states will be responsible for assisting the project to obtain information on the movement of all food aid, and granting priority to transporting and handling food shipped under the project as emergency food aid. Governments are also required to assist the project by enforcing penalties written into the board contracts and incurred by their agencies.

## **PROCEDURES**

### **Estimating food aid requirements**

An estimate of expected production and demand, based on trends is to be made for all member states. These estimates are to be prepared in as much detail (subnational) as possible with the level of detail expanded with experience. This exercise will enable a standard season to be projected for all member states and will form the basis of the evaluation of structural support needs.

These estimates will be prepared and interpreted for local conditions, such as stocks on-farm--mainly by the national and regional early warning systems--using indicators like seed sales, plantings and, of course, the vagaries of the weather. The interpretation will be updated when circumstances demand, but not less than monthly. Emergencies can sometimes be identified early, but the situation can change rapidly any time after the first planting.

The availability calculated will be compared to stocks and trade/aid flows. Standard estimates of demand, including on-farm retentions, will be built-up on the basis of local experience and survey data available from ministries and institutions. These will be developed and improved during the life of the project.

The initial estimates of requirement will be formally revised each February or March, after maize tasselling in the main maize-growing areas. The estimates will be formally revised again in April-May when harvest information is largely complete, or whenever appropriate.

In its function as the focal point for obtaining part of the region's food aid needs within the region, the FRP will be required to prepare estimates of need at two levels--structural and emergency. Structural requirements will be based on the difference between current harvest forecasts and trend production. The emergency hazard will be evaluated where evidence exists. If the demand for food aid exceeds available FRP resources, allocations will have to be made.

### **Allocation of resources**

It is intended that fund resources will be utilised according to need. The board will assess need, based on information provided by member states and the reserve management. Criteria for assessing emergencies and emergency requirements will be those accepted as common practice in the international community.

When resources are insufficient to meet all requests, the board will allocate resources proportionally in accordance with criteria determined by the board. Member states will retain their national prerogative to approach bilateral or multilateral agencies for additional or alternative assistance.

There is a formula proposed in the feasibility study for pricing forward purchases using resources available to the FRP. This is a preliminary mechanism and has two functions: to enable a simple mechanism to be applied without dispute among member states, as long as this is needed; and to provide some insurance when there is only one potential supplier. The Project Implementation Memorandum gives the board the responsibility for recommending the pricing structure to the Council.

For consignments purchased later in the season for structural support, purchases will be made accordingly to grain availability. Preference will be given to obtaining grain from within the region.

### **Data collection**

Data will be supplied mainly by member states themselves, SADCC's national and Regional Early Warning systems, and SADCC's Regional Information System, being developed under the Regional Food Security Programme. Additional data will be available from international institutions, especially the World Food Programme and the FAO, but also many others. Current and future commodity prices are available from the commercial markets.

### **Demand in the rural areas.**

The longer term development objectives require assessing rural demand. To adequately do this, we must increase our understanding of the effectiveness of food aid distribution. To improve demand assessment and to formulate projects for long term food security, more information is needed on the relative effectiveness of welfare transfers using food aid, compared to using development assistance.

Most member states have yet to develop the necessary information-gathering systems. SADCC's Regional Food Security Programme, the FRP management team, and the parallel training project will support this effort.



## **FUTURE DEVELOPMENT OF THE PROJECT**

With regard to structural deficits, it must be assumed that the steady strengthening of SADCC economies will enable them to increase their production of food grains, or other products in which they have a national comparative advantage, thus eliminating the need for food aid. A transitional period is likely to be necessary, during which contributions to costs by member states are stepped-up. Nevertheless, there will remain a long term need for an emergency fund for the relief of the victims of drought and other natural calamities to which the region is prone.

Because the FRP will hold reserve assets in the form of financial or commodity commitments--rather than physical grain stocks--and because all member states will not benefit equally, a *midterm* review of the principles of the FRP is scheduled at the end of the second year of operation. This will include a review of proposals for future operation of the FRP beyond the three-year establishment phase. Provisional indications of the self-sustainability and the need and/or desirability of further external funding will be assessed at this time. In addition, directions will be given to guide the formulation of the continuation programme which will be prepared during the third year of the project.

## **THE PARALLEL TRAINING PROGRAM**

A supporting training programme was identified in the 1987 feasibility study. Whereas programme objectives are well defined, a pre-implementation study scheduled for early 1988 will develop implementation details. This excludes the training incorporated in the FRP for its staff.

Current plans are to implement the supporting training programme over a three-year period. Because of the related objectives, this period should coincide with the implementation of the FRP. However, it could be implemented separately.

The programme has three main aims. The first is to enhance the capacity of marketing boards' staple foods storage and marketing operations. The second is to expand the capacity and efficiency of national agencies which utilise cereals for human relief. The third is to promote a broader understanding of food policy issues by national marketing staff and their civil service counterparts.

As far as possible, the programme will be implemented to strengthen the capacity of the existing national institutions in the region to carry out the training. Where needed, training capacity will be expanded. During the identification phase, a budget of US\$2.7 million was allocated for training.

### **Technical training for national marketing boards**

This programme would focus on improving the efficiency of the boards to procure, store, and distribute staple foods in order to reduce losses and increase the available food supply. While all the boards have current or planned training programmes, and there is also a limited regional programme, resources are constrained throughout.

### **Training for national food distribution and food security planning**

Institutions involved in food aid distribution are not, as a rule, the established national marketing boards. They are quite often small dispersed units, sometimes poorly organised and with minimal experience. This training component aims to help increase their capacity to manage, receive, handle, and deliver food aid.

### **Training on food policy development**

The objective of this component is to organise short workshops to enable senior national policy makers and marketing managers to study the implications of regional cooperation and integration of national food policies.

To support this objective, preparatory training is proposed to enable middle and senior management staff of national grain marketing boards to expand their technical skills relevant to food policy issues. These would lead to national workshops at which policy makers and marketing board managers would jointly study the effects of policy alternatives.

### **Administration of the training programme**

The training programme envisaged includes a range of technical and administrative activities. Some courses will have to be modified or developed from scratch, and training syllabuses will have to be reviewed. Although national institutions will conduct the bulk of the teaching, the training will require a substantial regional administrative input to develop the technical content. It is therefore proposed that a training manager be appointed from the SADCC community and attached to the FSTAU in Harare, together with a small staff.

This training programme implies that national institutions must undertake considerable work in organisation, course preparation, and teaching. While some institutions in the region may be able to absorb the additional work required without difficulty, some will require specific support. Pending completion of the pre-implementation study, particularly to review these needs, a cost estimate was included to allow for these potential requirements.

### **Pre-implementation study**

A pre-implementation study is proposed to establish the detailed technical and material needs for the training programme. Using the target sectors identified in the FRP feasibility study, the pre-implementation study will prepare a detailed three-year training programme, taking explicit account of staff requirements.

## **STATUS OF THE PROJECT**

### **Funding to date**

The EEC has provided US\$0.5 million for the studies already undertaken. The project is now in the pre-implementation phase, supported with technical assistance from the EEC. The Council of Ministers has approved a Project Implementation Memorandum. Work has commenced to consolidate funding for the project management, to conduct a pre-implementation training study (both for 1988), and to assess basic food aid needs. The EEC has indicated interest in funding the project management and training programmes, and also to finance part of the food aid required. Argentina has formally offered 1,490 mt of wheat to the fund and the WFP has agreed to provide transport for its delivery. Considerable additional funding will be needed to implement the programme.

### **Funding initial operations**

Funding of the FRP will depend virtually wholly on external sources during the first three years. The EEC will support the management and training programmes during this period, as well as make available some of the grain requirement. It is hoped that support for foodstuffs can be set up on a multiannual basis to improve planning and to overcome procedural constraints. In the long term, the project is expected to become increasingly more self-reliant in its structural support component, with member states beginning to contribute to operating and foodstuffs costs. The amount and nature of continued international support and contributions from member states will be one of the subjects of the midterm project review.

Commitments will be sought from cooperating parties, based on these initial estimates. Where there is early notification of a high probability of emergency needs, commitments will be sought from cooperating partners--either for special assistance or by converting food aid already designated for structural support.

## CONCLUSION

This project is part of the total effort aimed at improving food security in the region, including alleviating the underlying and persistent threat to food security caused by natural catastrophe. It is a cornerstone of the Regional Food Security Programme.

The proposed FRP recognises the opportunities for regional self-sufficiency in the face of all but the most severe drought and aggressive destabilisation. It accepts that from time to time, even the most favourably endowed nations are likely to become net importers of food grains if stocks are maintained at cost-effective levels. It accepts the right of each member state to determine its own food security policy and make its own arrangements with its bilateral partners.

During its first three-year phase, the project will attempt to channel international food aid toward the alleviation of immediate trading constraints by obtaining resources to purchase food from within the region when possible--thereby increasing demand within the region and helping to create more jobs. It is expected that the project will become increasingly self-sustainable. It has long term objectives to increase household incomes and thereby improve long term food security.

Because the problems of food insecurity are great and complex, the project alone cannot attempt to tackle all the problems of all member states. It is part of a wider programme directed towards improving long term food security in the region which is being pursued by member states at both the regional and national level. With its objectives to set up an emergency buffer and support structurally deficient states using regional resources, the project addresses persistent and debilitating food security issues resulting from endemic climatic hazard.

Successful implementation of the project supports the principle elements of SADCC's food security strategy; especially increasing the exchange of information, expanding intraregional trade, mitigating food crises, strengthening national food security strategies and planning, developing skilled manpower, and improving access to food.

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