



# Informal Cross Border Food Trade in Southern Africa



## Monthly Highlights:

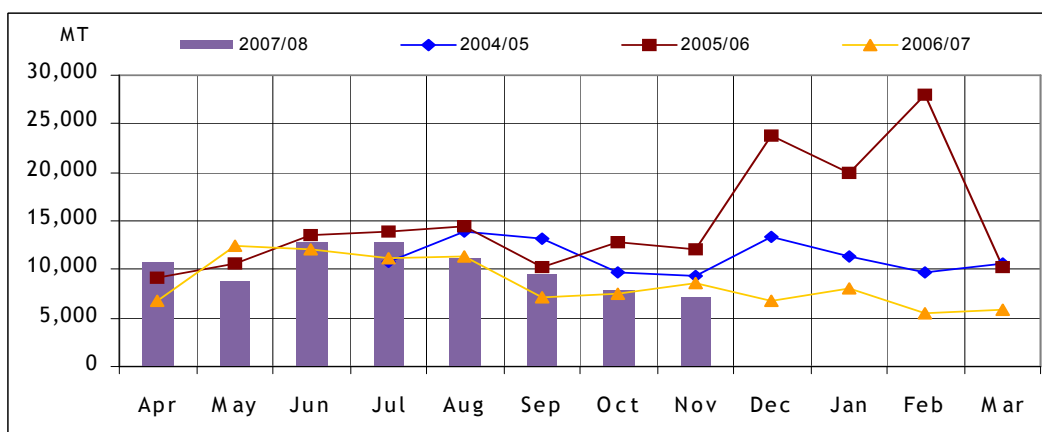
- The cumulative amount of maize, rice and beans traded across the monitored border points from April to November 2007 amounted to about 96,300 MT, up by almost 10 percent compared to the same period last season.
- Maize trade is up 5 percent, rice trade has more than doubled, while bean trade is up 17 percent over volumes traded during the same period last year.
- Available data suggests that formal maize trade has increased significantly this season among the monitored countries, with Malawi, Tanzania and Zambia making formal exports to neighboring Zimbabwe and South Africa
- Nominal prices for all the three commodities (maize, rice and beans) are generally increasing as supplies begin to dwindle.

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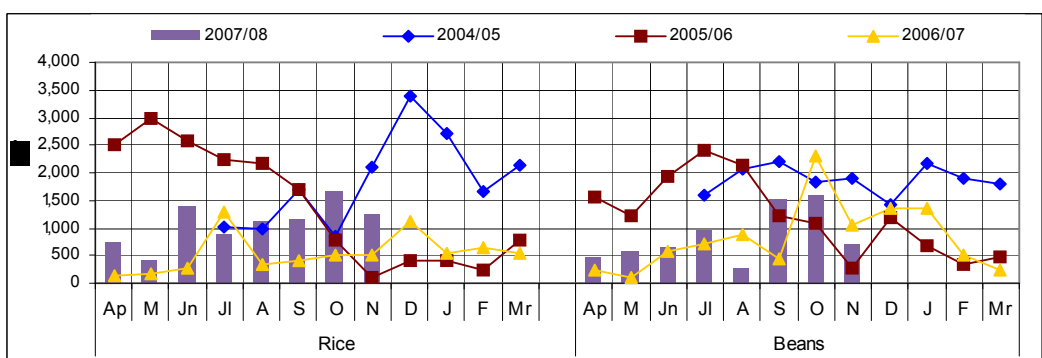
## Overall summary of trade flows

Figure 1: Recorded Informal Cross Border Maize Trade in DRC, Malawi, Mozambique, South Africa, Tanzania, Zambia & Zimbabwe



The informal cross-border food trade monitoring system covers selected border points in Malawi, Zambia, Mozambique, Tanzania, DRC, Zimbabwe and South Africa as shown in page 6. A total of 96,300 MT of maize, rice and beans were traded in the period April to November 2007. Out of this, maize accounted for 83 percent while rice and beans accounted for 9 percent and 8 percent respectively. This volume of trade is almost 10 percent higher than the 88,035 MT of maize, rice and beans traded during the same period last season. The volume of trade for maize peaked around harvest time in June/July, obviously due to improved supplies, but declined steadily in subsequent months as supplies began to dwindle. The volumes of beans and rice traded have been rising slowly until November when both commodities experienced a decline. However observations of rice and bean flows over the previous seasons indicate month to month fluctuations throughout the marketing season. Figure 1 shows the trends in the volume of trade for each of the three commodities from April to November 2007 and compares it with data for previous years. The following sections discuss each commodity in detail.

Figure 2: Recorded Informal Cross Border Food Trade in Rice & Beans in DRC, Malawi, Mozambique, South Africa, Tanzania, Zambia & Zimbabwe



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A Technical Steering Committee (TSC) of the Cross Border Food Trade Monitoring Initiative, with funding from USAID and WFP, has prepared this report based on data collected by a network of border monitors based at selected border points. Borders throughout the region have been surveyed and the most active and important borders have been selected for monitoring. The border monitors record data on a daily basis, and transmit it to a central location every week for collation and analysis.

Currently, the informal cross border trade monitoring system includes 29 borders, with new borders being added as necessary. Data from borders surrounding Malawi are collected and managed by FEWS NET and WFP Malawi, while the rest of the borders are managed by the TSC. Address comments/suggestions to the following e-mail addresses: [pmdlada@fews.net](mailto:pmdlada@fews.net), [simon.dradri@wfp.org](mailto:simon.dradri@wfp.org); [eric.kenefick@wfp.org](mailto:eric.kenefick@wfp.org) or [andrzej.golebiowski@wfp.org](mailto:andrzej.golebiowski@wfp.org)

## Summary of maize trade flows

Table 1: Informal Cross Border Maize Exports By Country

Source	Destination	Total 04/05 Season	Total 05/06 Season	Total 06/07 Season	Nov 06	Nov 07	Cumulative Apr-Nov 06/07	Cumulative Apr-Nov 07/08
Malawi	Mozambique	0	133	591	14	20	14	140
Malawi	Tanzania	637	944	2,928	0	16	2,860	359
Malawi	Zambia	34	81	202	18	21	152	1,519
Mozambique	Malawi	71,229	71,218	77,394	6125	3,398	66,518	45,762
Mozambique	Zambia	0	49	1,269	171	111	801	1,985
Mozambique	Zimbabwe	2	5	2,085	2	0	6	4
South Africa	Zimbabwe	0	1,688	49	3	3	31	25
Tanzania	Malawi	2,656	84,862	1,888	21	0	21	18
Tanzania	Zambia	3,699	13,556	6,260	860	625	2,371	4,483
Zambia	DRC	8,318	4,682	9,481	1396	3,001	3,960	25,809
Zambia	Malawi	2,157	419	378	15	1	332	354
Zambia	Mozambique	0	55	2	0	0	2	0
Zambia	Tanzania	93	0	7	0	0	0	4
Zambia	Zimbabwe	13,106	182	299	1	0	4	433
Zimbabwe	Mozambique	0	85	294	17	0	97	77
<b>Total Traded (MT)</b>		<b>101,929</b>	<b>177,959</b>	<b>103,127</b>	<b>8,643</b>	<b>7,196</b>	<b>77,169</b>	<b>80,972</b>

A total of 7,196 MT of maize were captured by the monitoring system in November 2007, resulting in cumulative informal maize trade figures of about 81,000 MT from the start of the 2007/08 marketing season on 1st April 2007. The volume of maize traded so far this season is 5 percent higher than the 77,169 MT traded during the same period last season. The main exporter since the start of the season is Mozambique, accounting for about 60 percent followed by Zambia at about 33 percent, Tanzania (6 percent) and Malawi (3 percent). Table 1 compares the sources of maize. Although Mozambique is the biggest exporter, its exports are about 30 percent lower than at the same time last season. This is due to the fact that parts of central and northern Mozambique experienced localized food deficits this season as a result of the floods. Despite the bumper harvest last season in Malawi, the figures show a drop of about 35 percent in maize exports from Malawi. This could be due to the fact that many traders had the opportunity to participate formally in the official exports of maize to Zimbabwe, which are still ongoing. Zambia and Tanzania registered increases: Zambia registered the biggest increase of about 500 percent from about 4,300 MT last season to 26,600 MT this season. Tanzania on the other hand registered an 88 percent increase from 2,400 MT last season, to about 4,500 MT this season. Regarding monthly trends, there are significant fluctuations in maize exports from the various countries with the exception of Mozambique. There is a clear declining trend in maize exports from Mozambique. Data for Zambia shows very high fluctuations while the remaining countries show relatively stable outflows. The trend depicted by Mozambique represents the normal trend which shows declining supplies as on-farm maize stocks get depleted the further away we go from the time of harvest. However, sometimes supplies can increase during the lean period of January/February due to increase in demand and improved supplies (as traders off load what was in storage) and from winter maize harvests around December.

With informal trade, a country can import and export the same commodity during the same period. According to the data captured, most of the maize was destined for Malawi with a total of 46,134 MT received between April and November 2007. This represents about 57 percent of the maize traded during that period. This is despite the fact that the country had surplus food production last season. Malawi was followed by the DRC (25,809 MT), representing 32 percent of the traded maize and Zambia (10 percent). Most of Malawi's maize imports were from Mozambique. Malawi provides the most convenient market for some parts of Mozambique hence there is always some maize flowing into Malawi regardless of whether Malawi has a food deficit or not. All the maize to DRC was from Zambia. Most of the maize that went to Zambia came from Tanzania. Very little informal maize trade went to Mozambique and Zimbabwe.

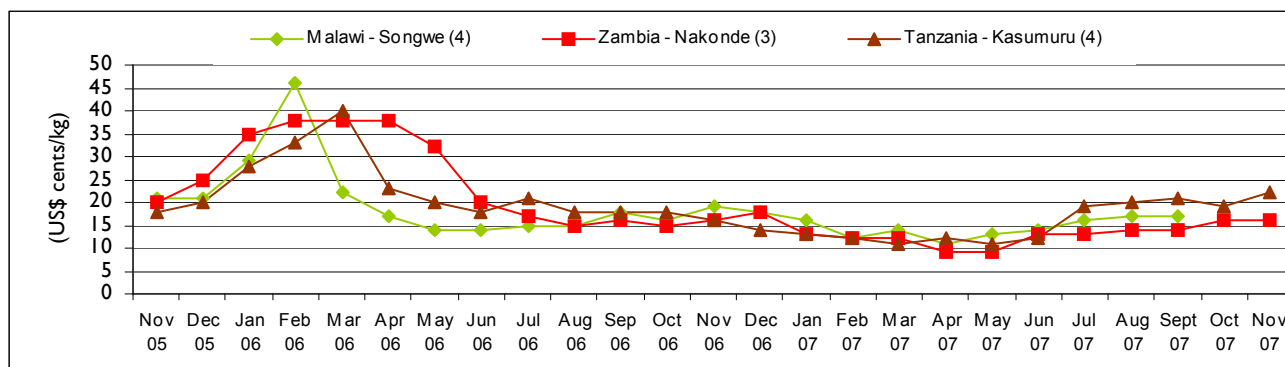
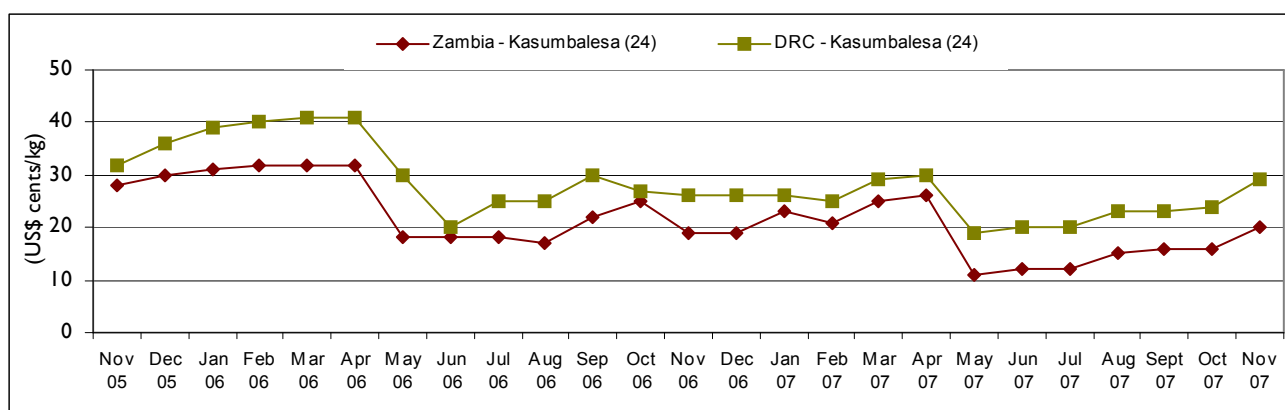
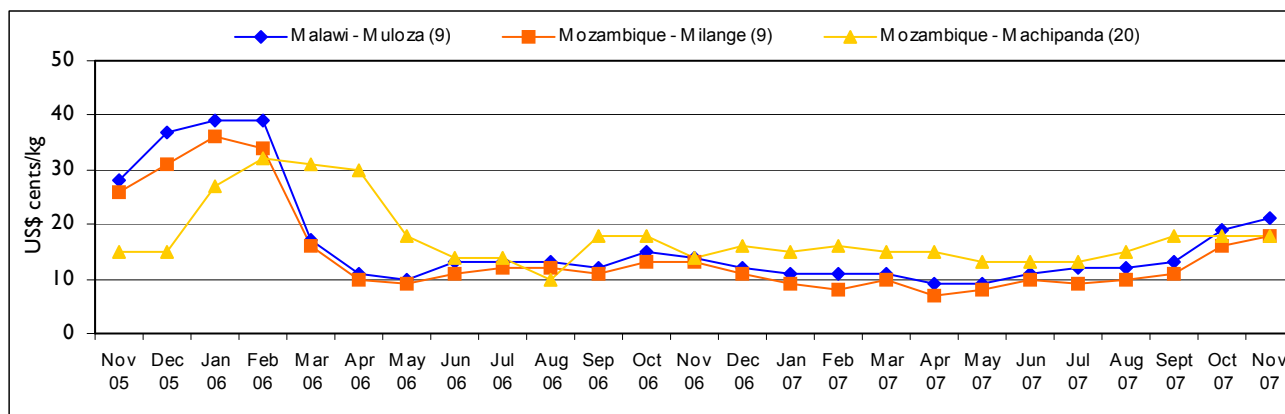
## Maize Price Trends at Selected Border Points

Most border points show that nominal maize prices are beginning to rise. This is a normal trend as we approach the hunger months of December to February in most of these countries. Market demand for maize increases as households continue depleting their own produced food and turn to the markets for food. Figures 3a, b, c show the maize price trends for selected border points. Maize prices generally ranged from about US\$0.16/kg at Nakonde border point in Zambia to US\$0.29/kg in DRC. The graphs also show that maize prices were generally highest in DRC.

## Formal exports

Official maize trade figures in the countries concerned were not readily available. Information available on the Malawi-Zimbabwe export agreement from the National Food Reserve Agency suggests that 267,000 MT of maize had been exported by the end of November 2007. In addition, about 32,000 MT of maize were exported to Zimbabwe from Malawi through WFP. The monitoring system also captured more than 5,000 MT of formal exports from Zambia to Zimbabwe.

Figures 3a, 3b and 3c: Retail maize prices in selected border points (US\$ cents per kg)



### Informal rice trade

The amount of rice traded informally in November dropped by about 25 percent from 1,667 MT in October to 1,241 MT in November 2007. Cumulative figures show that a total of 8,600 MT were traded from April to November 2007. This represents an increase of about 52 percent from the 4,146 MT traded during the same period last season. Most of the rice (4,166 MT), representing 48 percent of all the traded rice in that period, came from Zambia. This represents a very big jump for Zambia which during the same period last season had only exported 921 MT. The current figure therefore represents a 352 percent increase in Zambia rice exports. Malawi is second highest at 37 percent of the total. Malawi registered 3,216 MT compared to 852 MT exported during the same period last season. Mozambique accounted for about 11 percent of the rice traded during this period. However, unlike Zambia and Malawi, Mozambique experienced a 53 percent drop in exports. In fact during the same period last season Mozambique was the leading source of rice. Rice exports from Tanzania stood at 299 MT (or 3 percent of total exports), about 21 percent lower than the 379 MT registered during the same period last season. Only 12 MT of rice came from South Africa compared to the 20 MT during the same period last season. Table 2 shows rice trade flows from April to November 2007.

Zimbabwe was the largest importer of informally traded rice during this period, receiving about 3,048 MT (or 35 percent of the rice traded during that period). Most of this rice (81 percent) came from Zambia. The second highest importer of rice was DRC with 1,685 MT, representing 20 percent of the rice trade. All the rice to DRC came from Zambia. Zambia imported about 1,339 MT (or 16 percent of the trade). Most of this rice came from Malawi (78 percent) and Tanzania (22 percent). Tanzania was the fourth highest importer with 1,205 MT received during the period. Almost all the rice that went to Tanzania came from Malawi.

Table 2. Informal cross border trade in rice (MT)

Source	Destination	Total 04/05 Season	Total 05/06 Season	Total 06/07 Season	Nov 06	Nov 07	Cumulative Apr-Nov 06/07	Cumulative Apr-Nov 07/08
Malawi	Mozambique	1	12	1	0	31	0	873
Malawi	Tanzania	450	135	1,217	29	143	838	1,264
Malawi	Zambia	1	31	74	2	60	14	715
Mozambique	Malawi	2532	1,691	1,718	46	26	1,568	704
Mozambique	Zimbabwe	58	399	850	80	56	414	551
South Africa	Zimbabwe	0	64	82	2	2	12	20
Tanzania	Malawi	70	912	4	0	0	4	3
Tanzania	Zambia	547	641	557	58	19	375	299
Zambia	DRC	12644	12,629	1,697	257	478.1	699	1,685
Zambia	Malawi	0	0	0	0	0	0	0
Zambia	Zimbabwe	50	106	803	26	424	222	2,477
<b>Total Traded (MT)</b>		<b>16,355</b>	<b>16,620</b>	<b>7,003</b>	<b>500</b>	<b>1,241</b>	<b>4,146</b>	<b>8,595</b>

### Informal beans trade

Although the volume of beans traded informally dropped by almost half from 1,597 MT in October to 718 MT in November 2007, the amount traded between April and November totalled to 6,733 MT, which is about the same as last season. Sources of the beans included Tanzania, Zambia, Mozambique, Malawi and South Africa. Tanzania contributed 2400 MT of beans to the trade, thereby becoming the highest exporter with a 35 percent share of the total traded during this period. Bean exports from Tanzania over the period have jumped about 50 percent from last season to this season. Zambia was the second highest with 2,200 MT representing 32 percent of the trade. Mozambique came in third with 1600 MT which translates to 24 percent of the bean trade. Mozambique exports have dropped 40 percent compared to the same time last season. In terms of imports, Malawi (49 percent) and the DRC (26 percent) were the largest importers. Other significant importers during this period were Zambia and Mozambique.

Table 3. Informal cross border trade in beans (MT)

Source	Destination	Total 04/05 Season	Total 05/06 Season	Total 06/07 Season	Nov 06	Nov 07	Cumulative Apr-Nov 06/07	Cumulative Apr-Nov 07/08
Malawi	Mozambique	417	76	269	0	5	17	264
Malawi	Tanzania	2	0	0	0	0	0	120
Malawi	Zambia	30	19	268	0	13	232	201
Mozambique	Malawi	2,997	2,741	2,798	117	214	2,663	1,608
Mozambique	Zimbabwe	67	4	8	1	0	5	7
South Africa	Zimbabwe	0	325	83	1	0	7	9
Tanzania	Malawi	403	2,459	3,646	843	208	1,233	1,642
Tanzania	Zambia	509	472	588	0	22	317	712
Zambia	DRC	12,019	8,231	2,422	79	239	2,192	2,042
Zambia	Tanzania	0	0	2	2	0	2	0
Zambia	Zimbabwe	372	16	69	4	17	52	128
<b>Total Traded (MT)</b>		<b>16,816</b>	<b>14,343</b>	<b>10,153</b>	<b>1,047</b>	<b>718</b>	<b>6,720</b>	<b>6,733</b>

Table 3: Informal Cross Border trade in Maize (MT)

Source	Destination	Jul-Sep-04	Oct-Dec-04	Jan-Mar 05	2004/05 Season	Apr-Jun 05	Jul-Sep 05	Oct-Dec 05	Jan-Mar 06	2005/06 Season	Apr-Jun 06	Jul-Sep 06	Oct-Dec 06	Jan-Mar 07	2006/07 Season
Tanzania	Zambia	796	1,921	982	3,699	397	7,685	4,201	1,273	13,556	318	751	2632	2,559	6,260
Zambia	Zimbabwe	2,662	5,628	4,816	13,106	86	13	21	62	182	3	0	1	295	299
Zambia	Malawi	484	913	760	2,157	34	36	349	-	419	58	249	45	26	378
Zambia	Tanzania	71	20	2	93	-	-	-	-	-	-	0	0	7	7
Malawi	Zambia	0	19	15	34	8	5	51	17	81	64	65	27	46	202
Zambia	DRC	256	3,054	5,008	8,318	2,477	1,641	531	33	4,682	992	956	3189	4,344	9,481
Mozambique	Malawi	33,358	20,433	17,438	71,229	29,064	26,866	8,981	6,307	71,218	27,479	27,069	15726	7,120	77,394
Malawi	Tanzania	315	226	96	637	103	174	358	309	944	2,358	451	55	64	2,928
Tanzania	Malawi	22	239	2,395	2,656	471	1,211	33,601	49,579	84,862	-	0	183	1,705	1,888
Mozambique	Zimbabwe	-	-	2	2	2	3	-	-	5	4	0	6	2,075	2,085
Mozambique	Zambia	-	-	-	-	5	24	20	-	49	5	111	811	342	1,269
Malawi	Mozambique	-	-	-	-	-	-	-	133	133	-	0	17	574	591
Zambia	Mozambique	-	-	-	-	-	-	-	55	55	2	0	0	0	2
Zimbabwe	Mozambique	-	-	-	-	-	-	-	85	85	15	43	147	89	294
South Africa	Zimbabwe	-	-	-	-	486	921	55	226	1,688	17	8	15	9	49
<b>Total Traded (MT)</b>		<b>37,965</b>	<b>32,452</b>	<b>31,512</b>	<b>101,929</b>	<b>33,133</b>	<b>38,579</b>	<b>48,168</b>	<b>58,079</b>	<b>177,959</b>	<b>31,315</b>	<b>29,703</b>	<b>22854</b>	<b>19,255</b>	<b>103,127</b>

Table 4: Informal Cross Border trade in Rice (MT)

Source	Destination	Jul-Sep-04	Oct-Dec-04	Jan-Mar-05	2004/05 Season	Apr-Jun 05	Jul-Sep 05	Oct-Dec 05	Jan-Mar 06	2005/06 Season	Apr-Jun 06	Jul-Oct 06	Oct-Dec 06	Jan-Mar 07	2006/07 Season
Tanzania	Zambia	360	151	36	547	99	184	172	178	641	100	168	165	124	557
Malawi	Tanzania	367	83	0	450	-	61	0	-	135	56	740	106	315	1,217
Tanzania	Malawi	0	0	70	70	3	4	108	797	912	4	0	0	0	4
Zambia	DRC	2786	4157	5701	12,644	6,164	5,661	690	114	12,629	46	231	1125	295	1,697
Zambia	Malawi	0	0	0	0	-	0	0	-	0	-	0	0	0	0
Malawi	Zambia	0	0	1	1	30	1	0	-	31	-	2	12	60	74
Zambia	Zimbabwe	16	16	18	50	15	16	34	41	106	55	141	76	531	803
Mozambique	Malawi	153	1853	526	2,532	1,456	0	152	83	1,691	222	1,155	275	66	1,718
Malawi	Mozambique	1	0	0	1	4	2	0	6	12	-	0	0	1	1
Mozambique	Zimbabwe	0	0	58	58	188	97	45	69	399	99	166	253	332	850
South Africa	Zimbabwe	0	0	0	0	21	19	9	15	64	6	3	67	6	82
<b>Total Traded (MT)</b>		<b>3683</b>	<b>6260</b>	<b>6412</b>	<b>16,355</b>	<b>8,062</b>	<b>6,045</b>	<b>1,210</b>	<b>1,303</b>	<b>16,620</b>	<b>588</b>	<b>2,606</b>	<b>2079</b>	<b>1,730</b>	<b>7,003</b>

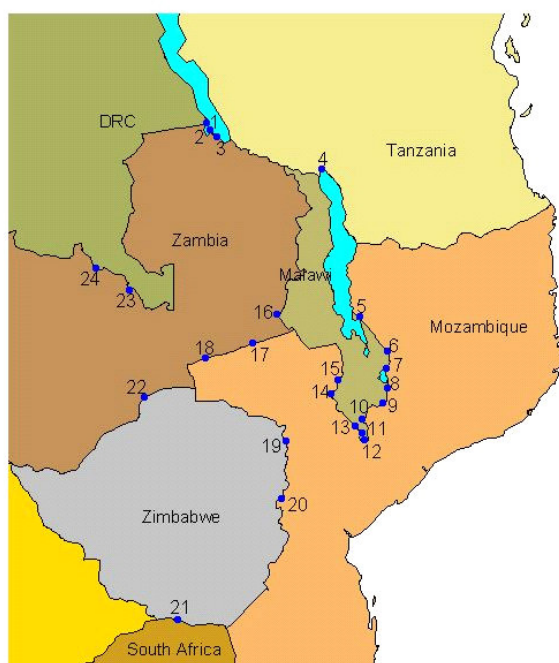
## Annex I (continued)

Table 5: Informal cross border trade in beans (MT)

Source	Desti- nation	Jul- Sep-04	Oct- Dec- 04	Jan- Mar- 05	2004/0 5 Season	Apr- Jun 05	Jul- Sep 05	Oct- Dec 05	Jan- Mar 06	2005/06 Season	Apr- Jun 06	Jul- Sep 06	Oct- Dec 06	Jan- Mar 07	2006/07 Season
Tanz	Zambia	262	179	68	509	99	223	87	63	472	128	154	73	233	588
Zambia	Tanz	0	0	0	0	-	0	0	-	0	-	0	2	0	2
Zambia	DRC	3215	3775	5029	12,019	3,593	3,740	843	55	8,231	390	350	1558	124	2,422
Malawi	Moz	391	1	25	417	14	29	5	28	76	15	2	0	252	269
Zambia	Zim	0	364	8	372	1	6	3	6	16	28	20	8	13	69
Moz	Malawi	1852	571	574	2,997	683	1,530	463	65	2,741	613	1,383	737	65	2,798
Malawi	Tanz	2	0	0	2	-	0	0	-	0	-	0	0	0	0
Moz	Zim	0	1	66	67	1	1	2	-	4	1	2	4	1	8
Malawi	Zambia	3	21	6	30	3	7	6	3	19	151	64	26	27	268
Tan	Malawi	67	246	90	403	18	68	1,134	1,239	2,459	-	54	2227	1,365	3,646
RSA	Zim	0	0	0	0	165	152	4	4	325	3	2	66	12	83
<b>Total Traded (MT)</b>		<b>5792</b>	<b>5158</b>	<b>5866</b>	<b>16,816</b>	<b>4,577</b>	<b>5,756</b>	<b>2,547</b>	<b>1,463</b>	<b>14,343</b>	<b>1329</b>	<b>2,031</b>	<b>3,360</b>	<b>2,092</b>	<b>10,153</b>

*UN World Food Programme Regional Bureau for Southern Africa, Johannesburg RSA and  
FEWSNET Regional Office, Pretoria RSA*

## Cross - Border Monitoring Sites, 2007



## NAME OF BORDER

- |                      |                          |
|----------------------|--------------------------|
| 1. Mulungu / Kigoma  | 13. Marine               |
| 2. Zombe / Kasesya   | 14. Mkumaniza            |
| 3. Nakonde / Tunduma | 15. Mwanza               |
| 4. Songwe / Kasumuru | 16. Mchinji              |
| 5. Kalanje           | 17. Marowela             |
| 6. Nayuchi           | 18. Chadiza              |
| 7. Naminkhakha       | 19. Nyamapanda           |
| 8. Kolowikho         | 20. Machipanda           |
| 9. Muloza            | 21. Messina / Beitbridge |
| 10. Sankhulani       | 22. Chirundu             |
| 11. Tengani          | 23. Mokambo              |
| 12. Marka            | 24. Kasumbalesa          |

For more information  
see: [www.fews.net](http://www.fews.net)