

OPINION PIECE:

Port damage will hinder Mozambique grain imports

By Wandile Sihlobo, [Business Day](#), 25 March 2019

The situation in Mozambique is devastating. Tropical Cyclone Idai, which hit the coastline of Mozambique on March 14, has caused a heavy loss of lives and affected more than 600,000 people, according to some estimates. The number will most likely rise after on-ground assessments. Amid continuing efforts to find survivors, one of the key concerns in the next days will be food insecurity due to damage to crop fields and port infrastructure.

Mozambique is generally a net importer of major grains such as maize, wheat and rice. In a normal season, the country imports about 100,000 tons of maize, 700,000 tons of rice, and 680,000 tons of wheat to fulfil its domestic needs.

Maize imports are largely transported on land as these are mainly from South Africa and Zambia. Meanwhile, wheat and rice imports originate from Europe, and Asia through Beira port, which has been hit by the cyclone.

In the case of rice, the key suppliers include Thailand, Pakistan, Vietnam, and China. Aside from Pakistan, these countries are expecting an uptick in 2018-19 rice production which means there will be fairly large supplies in the global market.

In terms of wheat, Russia, Germany, Canada, Lithuania and Poland are generally the leading suppliers to Mozambique. While some of these countries could experience a decline in wheat harvest in the 2018-19 production season, there will still be sufficient supplies in the global market.

Given that domestic production of rice and wheat is generally relatively negligible and the country depends on imports, the devastation from the cyclone will not lead to meaningful changes in import requirements of these commodities from the aforementioned volumes. However, the challenge will be on the infrastructure side in the ports.

In the case of maize, the imports will most likely increase from an average volume of 100,000 tons per the calendar year. I don't know how much will be required. I will have a better sense as soon as we are aware of the scale of damage in the maize fields.

This all means that there will be increased pressure on Southern African maize supplies in 2019. After all, even the key maize producing countries in the region — South Africa and Zambia — are expecting a double-digit decline in harvest in the 2018-19 season.

This, however, does not mean that there will not be room for maize exports to Mozambique, but prices will be higher, which will ultimately lead to increased food insecurity in Mozambique.