

The 2015-2016 Drought in South Africa

National Outcome Forecast Analysis

Analysis of Fourteen Livelihood Zones in Limpopo, KwaZulu-Natal and Free State Provinces, with a Synthesis for the Remainder of the Country



agriculture, forestry & fisheries

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

Financed by:

The South Africa Vulnerability Assessment Committee (SAVAC) is comprised of:

- Department of Social Development;
- Office of the President.;
- Department of Health;
- Statistics South Africa
- University of Pretoria;
- University of KwaZulu Natal;
- Provincial Departments of Agriculture;
- OXFAM;
- FAO,
- UN Partners (UNDP, UNICEF, UNFPA, UNAIDS, FAO)
- Botswana Council of Non-Governmental Organisations (BOCONGO)

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Acknowledgements

The South Africa Vulnerability Assessment Committee (SAVAC) and the participating consultant would sincerely like to extend their gratitude to the Republic of South Africa Government, through the Department of Agriculture, Forestry and Fisheries for providing coordination and oversight in addition to material support of transport, financial resources, office equipment and stationary and for this exercise.

The SAVAC would also want to extend its gratitude to all agencies and government departments, who willingly met with the author and discussed the information at their disposal. In particular, the SAVAC

Thanks are also due to provincial governments, who provided data and participated in all programmes leading up to this exercise, such as the baselines assessments.

The SAVAC also thanks the SADC Regional Vulnerability Assessment and Analysis (RVAA) programme through the Programme Management Unit (PMU) for making the whole process a success through the provision of trainers, team leaders, stationery and financial resources

Glossary, Terms and Abbreviations

ARC	Agricultural Research Council
ARC-ISCW	Agricultural Research Council – Institute for Soil, Climate and Water
ASI	Agricultural stress index
CEC	Crop Estimates Committee
CRS	Coordinate reference system (same as SRS)
DAFF	Department of Agriculture, Forestry and Fisheries
FAO	United Nations Food and Agriculture Organization
FAO-GIEWS	United Nations Food and Agriculture Organization – Global Information and Early Warning System
GIS	Geographic information system
LZ	Livelihood zone
NAMC	National Agriculture Marketing Council
NOFA	National outcome forecast analysis
RFA	Rainfall anomaly
SPI	Standard precipitation index
SRS	Spatial reference system (same as CRS)
VCI	Vegetation condition index
VHI	Vegetation health index



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South Africa Livelihood Zones

50 0 50 100 150 200 250 km

Projection: Albers Equal Area with
standard parallels at 24.2° S and 32.8° S.

Datum and ellipsoid: WGS 1984.

Prepared by CW Rethman for the South
African Vulnerability Assessment
Committee (SAVAC) and the SADC
Regional Hunger and Vulnerability
Programme.

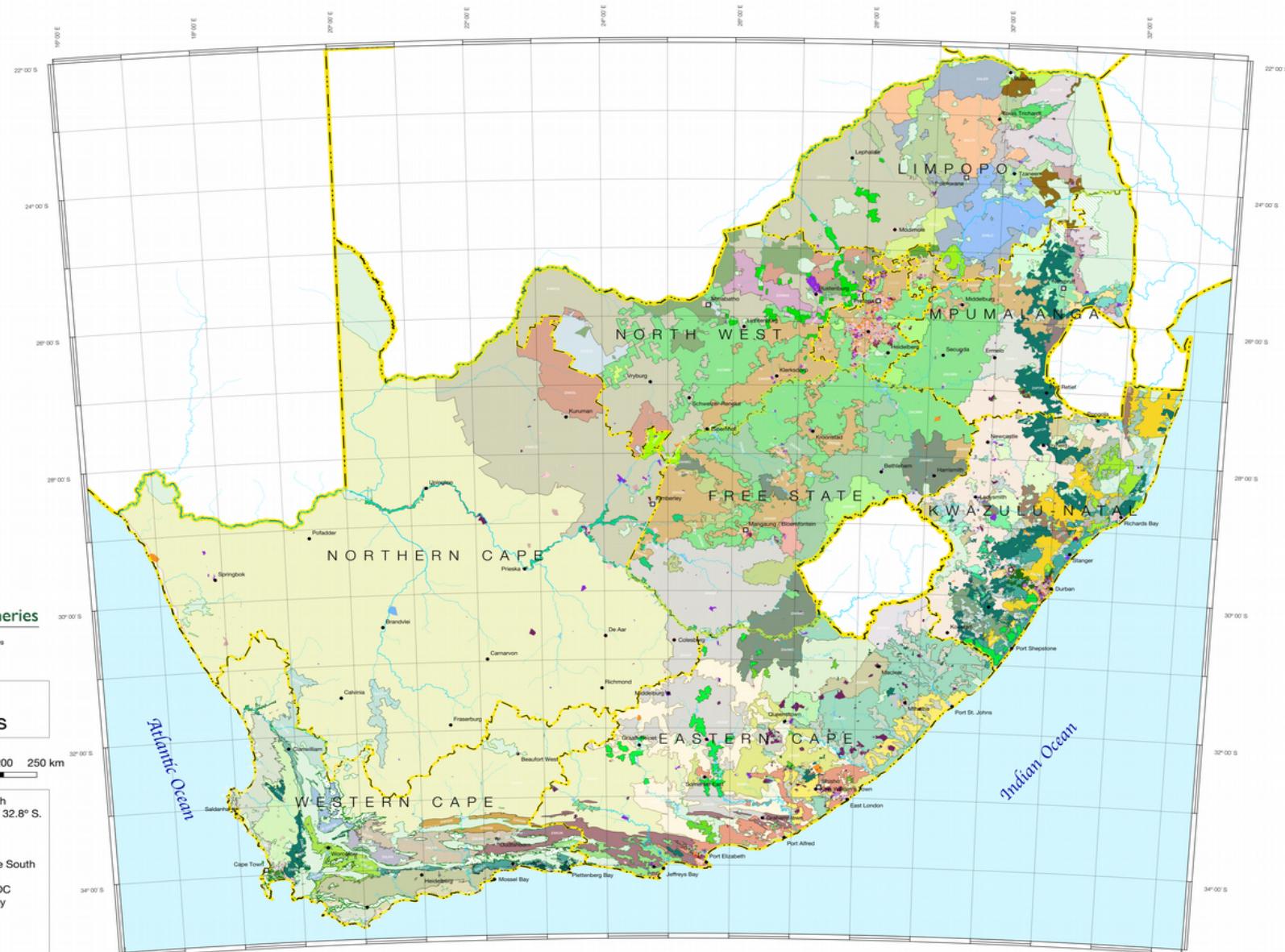


Figure 1: National Livelihood Zone Map of South Africa

South Africa - Livelihood Zones - Legend

International boundaries	59904: ZAPRC - Community conservation area	KwaZulu-Natal Livelihood Zones	59263: ZACKA - Cederberg Karoo
Provincial boundaries	59903: ZAPRO - Protected nature, forest or game reserve, gazetted	59105: ZATGL - Thukela and Lebombo sparsely populated	59264: ZAWSC - West Coast and Bredasdorp grain and small stock
Dams and water bodies	59950: ZAPRP - Protected, private nature or game reserve	59106: ZACNI - Coastal open access non-crop income	59265: ZASWA - Swartland mixed grain, fruit and dairy
Rivers and watercourses		59107: ZAOLO - Inland open access livestock and other income	59266: ZALKH - Little Karoo high fruit and dairy mixed farming
Provincial capitals		59158: ZAPLD - Upland dairy and stock farming	59267: ZAKSW - Kango-Swartberg livestock and crops
Other large towns		59206: ZALRC - Open access low intensity rainfed cultivation	59268: ZALKA - Little Karoo ostriches and mixed farming
Limpopo Livelihood Zones		59207: ZANFL - Northern inland open access farming and livestock	59269: ZALAN - Kou-Kamma Langkloof valley crops and livestock
59101: ZALOC - Lowveld open access cattle and other income		59209: ZAKHC - Ukhahlamba open access intense crops and livestock	59270: ZAUT - Outeniqua plateau mixed farming, dairy and forests
59151: ZALER - Central Limpopo cattle ranching		59210: ZAMMO - Mzimkulu-Mkomazi midlands open access mixed farming	59271: ZACHR - Caledon-Heidelberg-Riversdal small grain, dairy and livestock
59152: ZALGR - Lowveld game ranching		59258: ZAEMF - Kwazulu-Natal extensive mixed farming	59368: ZAOCL - Lower Olifants River-Vredendal valley
59153: ZAWCG - North western cattle and game ranching		59304: ZANCC - North coast open access intense cultivation	59369: ZACOU - Upper Olifants citrus and potatoes
59155: ZAHGR - Highveld cattle and game farming		59305: ZASCO - South coast intensive open access cropping	59370: ZAVIN - Cape Winelands vineyards, fruit and other farming
59201: ZALCM - Lowveld open access mixed farming		59365: ZAWIV - Weenen vegetables and other farming	59371: ZACGE - Ceres-Grabouw-Elgin cold fruit growing
59202: ZANOC - Northern open access cattle and dryland crops		59366: ZAIFF - Intensive fruit farming	59372: ZABBR - Breede Bot and Riviersonderend valley fruit and wine farming
59203: ZASLC - Southern Limpopo open access cattle and crops		59452: ZACSU - Coastal and Midlands sugar producing	59374: ZAPHI - Philippi and other horticulture
59205: ZAHMI - Highveld open access mixed income		59551: ZAFOR - Agriforestry plantations and forests	59552: ZAWIL - Wilderness-Plettenberg lakes forest and cattle
59251: ZALCV - North central Limpopo cattle and vegetables		59903: ZAPRO - Protected nature, forest or game reserve, gazetted	59701: ZAUHF - Urban, residential, fishing high unemployment
59252: ZALEM - Limpopo Escarpment Mixed Farming		Northern Cape Livelihood Zones	59900: ZAUHF - Urban, residential, fishing high unemployment
59253: ZAEMA - Eastern mountains mixed agriculture		59102: ZAKOL - Kgalagadi open access livestock and other income	59902: ZAPGOV - Government area
59301: ZALOF - North eastern Limpopo open access fruit farming		59153: ZAWCG - North western cattle and game ranching	59903: ZAPRU - Uncultivated, unbuilt or unused area
59302: ZALOI - Lowveld open access irrigated cropping		59157: ZAGKA - Great Karoo small stock	59903: ZAPRO - Protected nature, forest or game reserve, gazetted
59303: ZAHIC - Highveld open access intensive cropping		59159: ZAXGF - Xariep-Great Fish valley small stock	59950: ZAPRP - Protected, private nature or game reserve
59351: ZALIC - Limpopo River intensive crop farming		59263: ZACKA - Cederberg Karoo	Urban Livelihood Zones
59352: ZALFF - North eastern Limpopo intensive fruit farming		59362: ZAVHI - Vaal-Harts irrigated crops	59802: ZAUO - Urban, commercial / mercantile
59353: ZASLC - Southern Limpopo crop farming		59363: ZAORI - Orange River intensive irrigation	59804: ZAUED - Urban, education / health / services
59354: ZAHFC - Hoedspruit Fruit and Cereal		59901: ZARES - Restricted area	59806: ZAUIN - Urban, industrial / transport
59355: ZAHOI - Highveld Olifants River irrigated farming		59903: ZAPRO - Protected nature, forest or game reserve, gazetted	59831: ZAUIS - Urban, residential, informal better serviced
59356: ZANBI - North western bushveld irrigated		Gauteng Livelihood Zones	59832: ZAUIC - Urban, residential, informal service constrained
59363: ZAPRO - Protected nature, forest or game reserve, gazetted		59155: ZAHGR - Highveld cattle and game farming	59841: ZAUBM - Urban, residential, combined planned-informal
Mpumalanga Livelihood Zones		59254: ZACMW - Central maize, wheat and cattle	59842: ZAUBH - Urban, residential, combined planned-informal high unemployment
59101: ZALOC - Lowveld open access cattle and other income		59358: ZAHVC - Highveld vegetables and crops	59843: ZABA - Urban, residential, combined planned-informal acute unemployment
59104: ZABOL - Highveld border open access livestock		59903: ZAPRO - Protected nature, forest or game reserve, gazetted	59844: ZAUBE - Urban, residential, combined planned-informal extreme poverty
59155: ZAHGR - Highveld cattle and game farming		Free State Livelihood Zones	59851: ZAUJM - Urban, residential, municipal high-rise middle income
59156: ZALCL - Lowveld cattle and livestock grazing		59108: ZACHO - Cold highlands open access livestock	59852: ZAUJUH - Urban, residential, municipal high-rise high unemployment
59158: ZAPLD - Upland dairy and stock farming		59155: ZAHGR - Highveld cattle and game farming	59861: ZAUHM - Urban, residential, high-rise affluent and middle-income
59201: ZALCM - Lowveld open access mixed farming		59159: ZAXGF - Xariep-Great Fish valley small stock	59862: ZAUHH - Urban, residential tenements, high unemployment
59205: ZAHMI - Highveld open access mixed income		59208: ZAOCC - Free State open access cattle and crops	59863: ZAUHA - Urban, residential tenements, acute unemployment
59253: ZAEMA - Eastern mountains mixed agriculture		59254: ZACMW - Central maize, wheat and cattle	59864: ZAUHE - Urban, residential tenements, extreme poverty
59254: ZACMW - Central maize, wheat and cattle		59257: ZAHWC - Upper Senqu and Harrismith cereal and cattle	59871: ZAUJM - Urban, residential, mixed building affluent and middle-income
59256: ZAMLC - Cold highveld mixed livestock and crops		59259: ZASSC - Free State small stock and crops	59872: ZAUHM - Urban, residential, mixed building high unemployment
59303: ZAHIC - Highveld open access intensive cropping		59361: ZACMC - Central mixed cropping	59873: ZAUJA - Urban, residential, mixed building acute unemployment
59357: ZAELC - Eastern lowveld mixed cropping		59362: ZAVHI - Vaal-Harts irrigated crops	59881: ZAUJM - Urban, residential, low-rise affluent and middle-income
59358: ZAHVC - Highveld vegetables and crops		59363: ZAORI - Orange River intensive irrigation	59882: ZAUHL - Urban, residential, low-rise high unemployment
59451: ZALSU - Lowveld commercial sugar farming		59364: ZACEH - South east cereal and horticulture	59883: ZAULA - Urban, residential, low-rise acute unemployment
59551: ZAFOR - Agriforestry plantations and forests		59903: ZAPRO - Protected nature, forest or game reserve, gazetted	59884: ZAULE - Urban, residential, low-rise extreme poverty
		59157: ZAGKA - Great Karoo small stock	59890: ZAUSM - Urban, smallholdings, uncultivated or grazing
		59163: ZAKUK - Baviaans Karoo mountains livestock	
		59164: ZASCD - Southern coast duneveld	

Executive Summary

Introduction

The Department of Agriculture, Forestry and Fisheries (DAFF), in collaboration with the Southern African Development Community (SADC) Regional Vulnerability Assessment and Analysis (RVAA) Programme, is working towards strengthening food insecurity and vulnerability assessment in South Africa. Through this partnership, a number of activities have been conducted towards institutionalisation of the South African Vulnerability Assessment Committee (SAVAC). The activities include:

- A scoping study, a strategic plan and the formation of Provincial VACs in three provinces;
- Baselines assessments in Limpopo province;
- An outcome forecast assessment in Limpopo, and;
- Baselines assessments in Free State and KwaZulu-Natal provinces.

However, during 2015 and 2016 two events have had enormous impact on the lives of the country's poorest people: the occurrence of a severe drought resulting from an extreme El Niño event and the progressive devaluation of the Rand, the country's local currency. The former has impacted on farmers' ability to produce food locally, and the latter has substantially pushed up the price of imports.

In order to understand how these factors impact down stream on households access to quality food, we need to first understand how those households make a living. This necessitates understanding *the sum* of the different strategies they use to obtain enough food, to acquire the services and other goods they need to achieve the acceptable standard of living.

The size and complexity of South Africa as a country requires the vulnerability assessment system to be decentralised to provincial level or through the establishment of Provincial Vulnerability Assessment Committees (PVACs). The first provincial vulnerability assessment committee (PVAC) formed was the Limpopo VAC (LimVAC) and further PVACs have been formed in KwaZulu-Natal and Free State. As result of these efforts, full baselines with livelihoods and food security indicators' assessments have been carried out in *fourteen livelihood zones* by 29 April 2016.

The SAVAC uses a system that combines the Household Economy Approach (HEA), which provides a longitudinal or temporal picture of the *depth* of changing household food access and living standards, with the Food Security Continuum (the 'Continuum'), which provides a detailed cross-sectional 'snapshot' description of people and household under different food security indicators. The basic principle underlying the Household Economy Approach is that the understanding of local livelihoods is essential for analysing the impact (at household level), of shocks such as drought, conflict or market changes. The Household economy analysis establishes a picture of typical, normal livelihood patterns for households in different geographical areas, in order to understand a range of conditions that local communities must cope with in a normal year as its baseline assessment.

Obviously, it is not practical to analyse in detail the various components of each and every household's livelihood in the country, so a level of aggregation needs to be applied.

The baseline assessment also focuses on understanding the various household sources of food, income and expenditure patterns among the four wealth groups ('Very Poor', 'Poor', 'Middle' and 'Better Off') defined by community key informants. It also explores issues related to household vulnerability as well as the coping strategies and options they undertake during bad years.

The baseline information is then used as a reference point for modelling the likely effects of shocks such as drought, floods and market failure. These shocks may affect people's ability to maintain their livelihoods or in extreme cases, they could be life-threatening. Any external response to these shocks needs to be based on the provision information and analysis, which gives solid guidance for short, medium and long term relief, recovery and development initiatives.

The purpose of the forecast scenario analysis exercise was to establish whether livelihoods of the household in the area covered by the zones have been affected, compared with the baseline outcomes. This will be used to demonstrate the approach and provide recommendations for appropriate policy action.

A team of twenty eight personnel, trained in vulnerability assessment and analysis methodologies, was engaged in defining problem specifications and modelling the possible effects on households. Crop

failure may, for example, leave one group of households without anything to eat if crop production is their main source of food but another group may be able to cope because they have alternative sources of food and income that can make up for lost crop production.

Baseline data was used to determine the key parameters that needed to be analysed and these included crop and livestock production, prices, and government assistance programmes among others. The SAVAC also consulted Department of Agriculture Officers in the municipalities within the livelihood zones and villages to seek their technical input and participation in the forecast analysis data collection.

This report focuses on the current agricultural season in terms of general rainfall and weather conditions, crop and Livestock production and household sources of food and cash income.

The analysis combines current year monitoring data with baseline data to project the most likely scenario in the quarter of the 2015/16 consumption year.

A Summary of the Assessment Process

The process of baseline livelihood profiling started in 2014 with a livelihood zoning exercise, given the significance of geography as a determinant of livelihood patterns. A livelihood zone was visited and the next step was to define the wealth groups in the livelihood zone as wealth determines options available to the household for access to food and income.

Having patterned households according to where they live and their wealth¹, the next step was to generate baseline livelihood profiles for typical households in each wealth group for a defined baseline or reference consumption year. An understanding of food access is gained by investigating the sum of ways households obtain food; that is, how much food they get from their own direct food crop production, their livestock, gifts from others, exchanges or barters and from purchases. To understand the latter, information is also collected on how much cash income is earned in a year and what essential needs are met with the earned income.

Once the baseline is established, analysis can be made on the likely impact of a shock or hazard in the current year. This involves assessing how food access will be affected by the shock, what other food sources can be added or expanded to make up for the initial shortfall, given households' asset holdings and capacity to earn more. After all these factors are considered, final deficits emerge once households have exhausting all their coping strategies. The SAVAC used the period April 2013 to March 2014 as the baseline or reference consumption year and therefore the current analysis reflects the impact of current problems for the forecast period of 2013 to 2014.

The key parameters evaluated in April 2016

Using the baseline profiles, key parameters of change in each livelihood were identified. Each parameters affects a particular source of food, source of income or expenditure by changing either the amount of that source or its price. Examples of key parameters are the crops grown by households, their livestock, their labour, the social grants they receive from government and the food and non-food items that they purchase. With consumption, foodstuffs are grouped into staple and non-staple, and are combined with non-food expenditure to be compared with accepted standards, such as the Food Poverty Line (FPL), the Lower Bound and Upper Bound Poverty Lines (LBPL and UBPL).

Key parameters always compare the consumption year under review (in this case the period from April 2016 to March 2017) with the baseline consumption years (in all livelihoods it is the period from April 2013 to March 2014). An important characteristic of key parameters is whether they are *known* or *unknown*: known parameters are those which impact on livelihoods early in the consumption year and thus have already occurred, allowing their measurement, while unknown parameters have yet to occur during the consumption year and so cannot be measured. Of course, with the consumption year under review only just having started, there remain a lot of unknown parameters, which can only be included by constructing scenarios.

The key parameters assessed included:

- Household own-production and how this year it compares with that in the baseline year March 2013;
- Household access to food from agricultural labour exchange and how this compares with the baseline year;
- Access to food from livestock products and how this compares with the baseline year;
- Quantities of income-activities in the current year from crop sales, livestock sales, agricultural labour, other casual labour, petty trading, access to social grants and other income activities that vary across wealth groups, compared with the baseline;
- The prices of maize and livestock in the current year compared with baseline year prices;

¹ Wealth is defined in terms of asset holdings and incomes

- The price of items in the minimum non staple basket (soap, paraffin, matches, sugar, Tea and salt), and the essential expenditure basket (education, medical, ploughing, seed, livestock treatment, cooking oil, clothing and grinding costs).

Comparison of key parameters data for 2013 with 2014 was done and the findings from this analysis formed the current year problem specification for scenario modelling.

Methodology

Household Economy Approach

The South Africa Vulnerability Assessment Committee (SAVAC), conducts assessments and analysis using a livelihoods based analytical framework, called the Household Economy Approach (HEA), for modelling its forecasts. There are four steps in a household or food economy analysis. The first two are concerned with dividing the population into groups of households that share similar characteristics in terms of their access to food and income. The assumption underlying these two steps is that access to food and income is determined by two factors; geography and economic status (i.e. relative wealth). While geography (where a household lives) determines the options for obtaining food and income, wealth generally determines a household's ability to exploit those options. The third step involves developing a baseline picture of food access, income and expenditure for each wealth group. The fourth and final step is to combine information on baseline access with that on hazard and response in order to generate projections of future food and income access; the process can be summarised thus: Baseline + Hazard + Response = Outcome. The HEA methodology provides an opportunity for field officers to probe during discussions while at the same time observing the surrounding and non-verbal communication signs.

The HEA methodology has been widely adopted in most Member States in the SADC Region. The methodology saves on resources and time, making it affordable and sustainable under small budgets. The methodology also attempts to maximise the use of existing information and survey data. Besides data generated using HEA, SAVAC also uses a range of secondary sources of data such as the crop estimates from the Department of Agriculture, population projections from the Stats SA, inflation rates from Stats SA and price data from NAMC. The field exercise therefore provides an opportunity to verify secondary data with that obtained from the province, district and municipalities as well as the villagers.

The Entire Process

In order to achieve the objectives laid out, this exercise was broken down into thirty-five steps:

Preparation of the Baselines

1. Prepare a synthesis-baseline for farm workers;
2. Prepare a synthesis baseline for the urban poor;

Preparation of the analysis spreadsheets;

3. Prepare analysis spreadsheets for all assessed and completed livelihood zones;
4. Prepare synthesis analysis spreadsheets for the remaining open access livelihood zones in the country;
5. Prepare analysis spreadsheets for farm workers and for the urban poor;

Collecting data from secondary sources

6. Collect secondary source data for crop production, largely from the Crop Estimates Committee (CEC) for each harvest from 2013 onwards;
7. Collect secondary source satellite imagery and climatic spatial data (for example, the Standard Precipitation index);
8. Collect secondary source data for price problem specifications;

9. Collect secondary economic forecasts such as inflation, gross domestic product (GDP) and gross national product (GNP) growth rates;

Defining the hazard area and getting crop production problem specifications

10. To define the “hazard-affected” spatial area in the country, review and choose from the various rainfall and vegetation maps and remote sensing raster images;
11. Use a desktop Geographic Information System (GIS) to geo-reference the raster image or convert the origin rainfall vector feature set to the map coordinate reference system (CRS);
12. For raster images, in the desktop GIS, convert the colour remote sensing images to greyscale if the image contains more than one colour (for example, from red to yellow to green) by applying different weightings on each primary colour (red, blue and green) to ensure that each colour does not overlap with another colour’s grey shade value (e.g. dark green must be a different grey value from dark red);
13. Remove the any lines or borders within the image by filtering out all-black or dark grey pixels (which should be beyond the darkest colour shade);
14. Convert the raster image to vector polygons (‘polygonise’ or ‘vectorise’), with an attribute in the polygon table holding the greyscale value.
15. Import the vector feature set into a geo-spatially enabled database (such as PostGIS) for further operations;
16. Switch the greyscale values to text values representing the range covered by each colour in the original raster image. This should result in an ordinal text value that traverses the remote sensing image from its lowest value range to its highest range;
17. Filter out all polygons smaller than nine pixels;
18. Buffer the resultant polygons to make sure that they overlap one another that polygons separated by only one pixel will be combined;
19. Remove any edge boundaries or other image paraphernalia by cropping the image to a polygon that defines the area of interest.
20. Select an appropriate cut-off for the vector layer on the new ordinal value column, so only the “hazard-affected” (in the current case, “drought-affected”) areas are shown;
21. Union (“dissolve” in ESRI parlance) the resultant filtered polygons in single multi-polygon for the remaining “hazard-affected” areas (which can be dumped to obtain separate single-polygon features, if needed);
22. Compile the crop estimate data to obtain provincial commercial crop problem specifications and national ‘subsistence’ crop problem specifications;
23. Overlay (“intersect” and “union”, in ESRI parlance) the “hazard-affected” area polygons onto the crop national crop areas
24. Choose appropriate values for normal or non-hazard crop problem specifications in the open-access (or ‘subsistence agriculture’) and commercial areas in each province, then calculate the problem specification for the drought hazard areas using the crop estimates problem specs from step 22 (above).
25. Obtain, derive or choose scenarios for problem specifications of other agricultural production (crops, livestock, game, aquaculture, fishing).
26. Obtain, derive or choose scenarios for employment opportunities, self-employment opportunities and small business problem specifications.
27. Obtain, derive or choose scenarios for problem specifications on prices.
28. Decide on the ratios of grant and non-grant recipients; the analysis should be split into two cases: those that receive grants and those that do not.

Run the outcome analysis on the spreadsheets

29. Enter all the problem specifications in all the outcome analysis spreadsheets to run the analysis (to save time, a strategic approach can be made by entering common problem specifications, copying the spreadsheets and then entering the variants for each scenario);
30. Collect all the outcomes (food deficit, food poverty line deficit, lower bound poverty line deficit and upper bound poverty line deficit) for each wealth group in each scenario in each livelihood zone into a single large table.

Attribute the analysis to populations and calculate the totals

31. Overlay (“intersect” and “union”, in ESRI parlance) the “hazard-affected” area polygons onto the enumeration small areas (SAs), and assign an attribute “hazard affected” as well as the month and date to a new table of small areas;
32. Review the nature of the problem specifications for the livelihood zones analysis. In the case of the current NOFA there are *four scenarios* for each livelihood zone: *drought-affected* versus *normal* and *grant-receiving* versus *non-grant-receiving*;
33. Compute other problem specifications that are general or the same for all livelihood zones, such as general rates of inflation, price changes, etc.;
34. Create pivot tables for each outcome;
35. Map the numbers of people (or percentages of people) affected for each outcome;
36. Map the amounts of deficit for each outcome.

This involved a considerable amount of processing. To get the job done quicker, scripts were written and applied to many of the processes. Fortunately, this can be done given modern software and database tools such as Postgres, PostGIS, NodeJS and the QGIS desktop mapping application (with its many plugins).

The outcomes are presented as maps and as tables in pages....

Findings

The following draws on the steps outlined above.

The Baselines

Farm Workers (Step 1)

Urban Poor (Step 2)

The Analysis Spreadsheets

Existing baselines (Step 3)

Other Open Access Livelihood Zones, Farm Workers and the Urban Poor (Step 3 to 5)

Secondary Source Data (Step 6 to 9)

This analysis was completed entirely with data from secondary sources. Normally, when an assessment of this nature is undertaken, some primary data will still be captured and used alongside that from the secondary indicators. This helps to ‘ground truth’ the analysis, as well as filling in the indicator gaps that monitoring systems often leave out in livelihoods, such as: casual labour opportunities, informal or petty trading, crafts and self-employment.

Hazard Definition and Problem Specification

The hazards people face can be broken into two types: spatial and non-spatial. Spatial hazards are those that are confined to particular geographical areas (such as crop failures resulting from drought or floods), whereas non-spatial hazards are those that afflict people (but not necessarily all people) in all areas (such as a general rise in prices or changes to social development policies).

With both hazard types, a determination needs to be made for those that experience the hazard versus those that do not.

Usually, a combination of approaches are applied to arrive at a spatial definition of the hazard. The first approach is to use some sort of spatial hazard data, such as remote sensing images, while the second approach is to look at the production factors of interest (for example, crops or livestock).

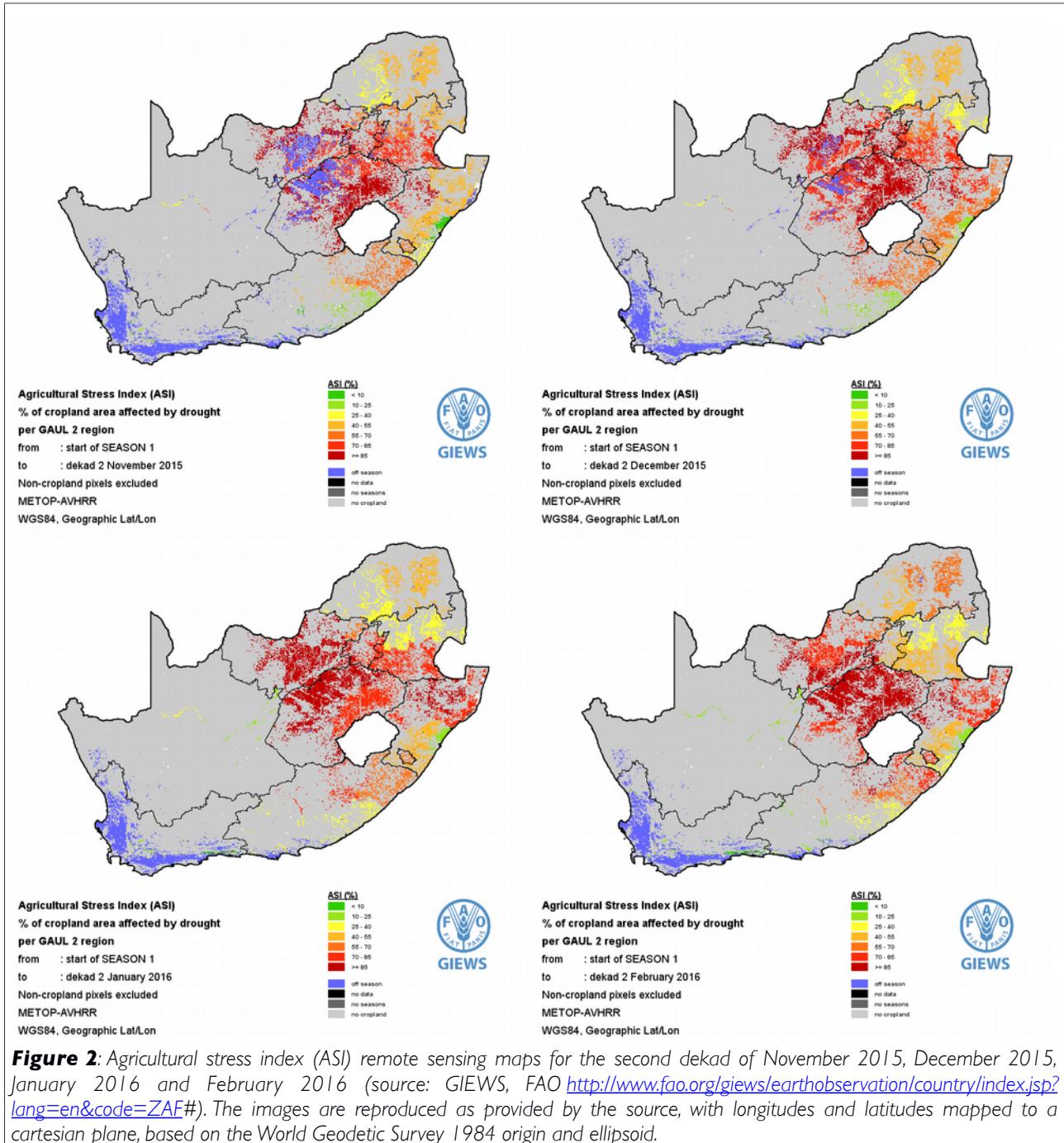
Climatic Spatial Data and Remote Sensing (Step 10)

The author looked at several types of remote sensing data sets and these include:

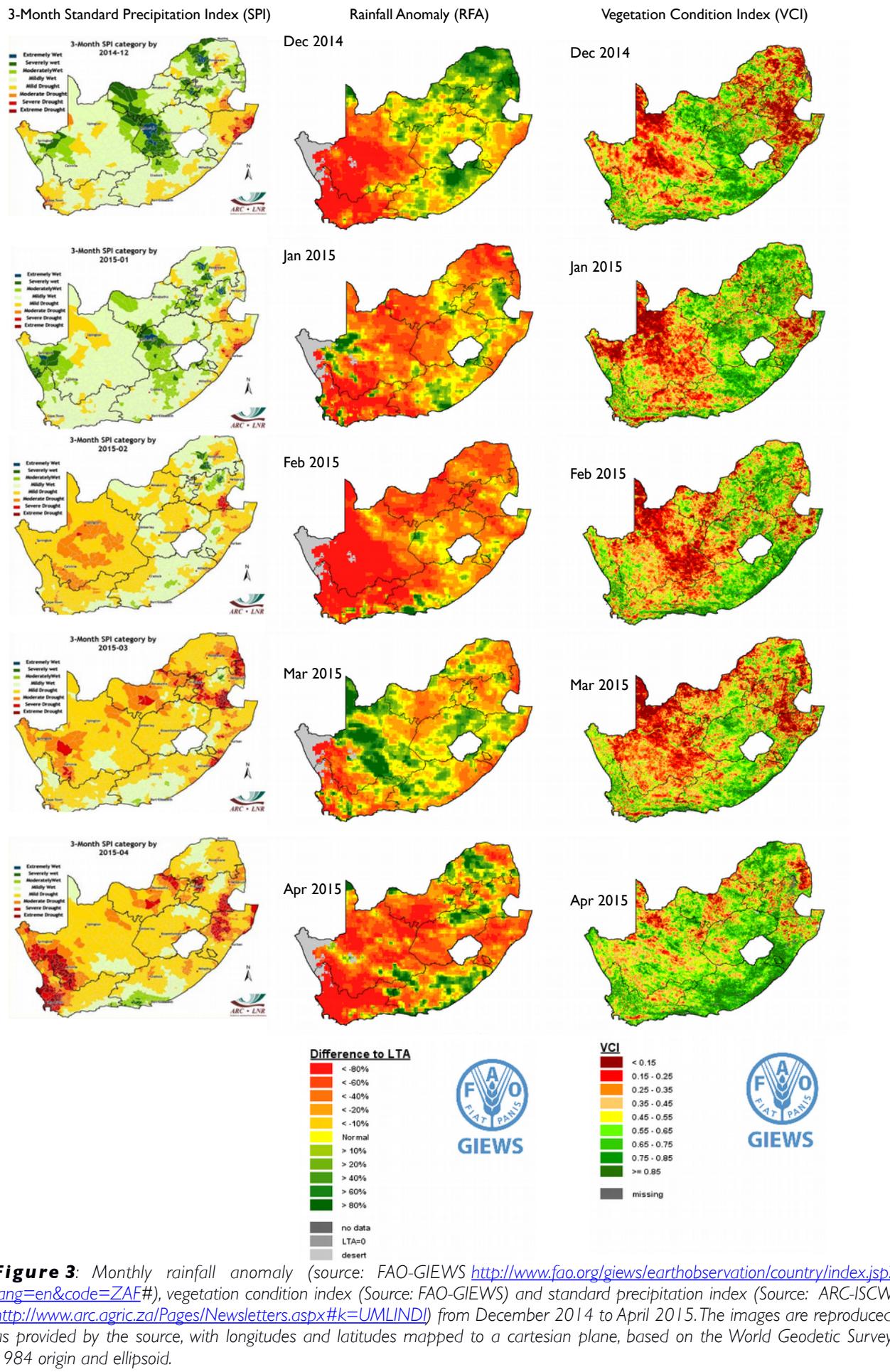
- Rainfall deviation from satellite images (source: FAO);
- Rainfall deviation from local sources (source: ARC-ISCW);
- Standard precipitation index (SPI) (source: ARC-ISCW);
- Normalised differential vegetation index (NDVI) (source: FAO-GIEWS);
- Vegetation condition index (VCI) (source: FAO-GIEWS);
- Vegetation health index (VHI) (source: FAO-GIEWS); and
- Agriculture stress index (ASI) (source: FAO-GIEWS).

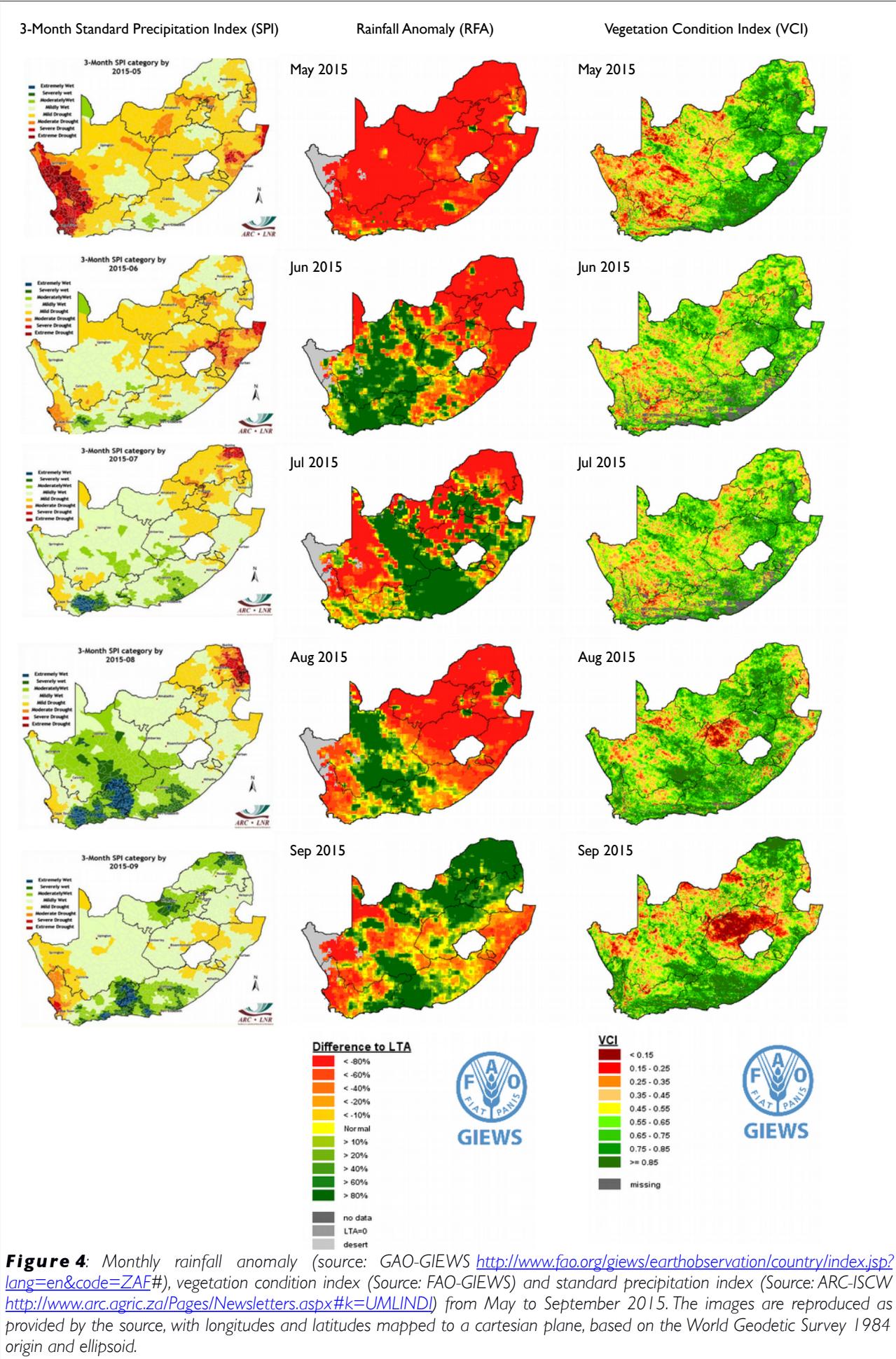
At first glance, the agricultural stress index (ASI) appeared to be the simplest and most attractive set to use to determine hazard areas, with a historical set of images for each dekad that shows how, where and when the drought developed to its most devastating. **Figure 2** shows the development of the drought over the months from November 2015 to February 2016. The ASI has the advantage that it is a combination of a range of factors that affect crop performance, so in many ways it is good for establishing a problem specification. However, it also suffers some disadvantages:

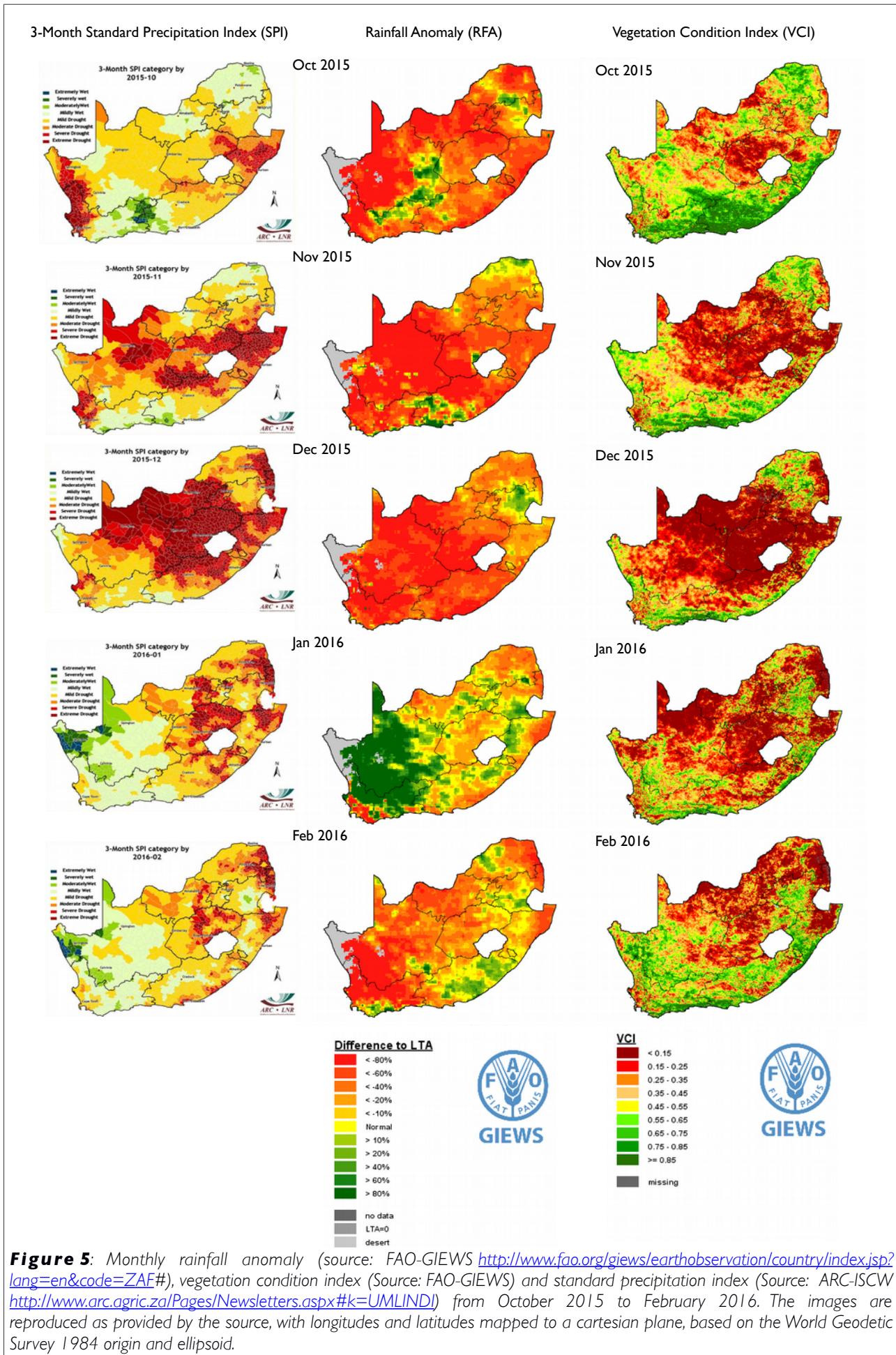
- The ASI focusses only on crops, while in many affected parts of the country livestock are the key productive components; and
- The ASI only shows results for the current cropping season, so areas with different seasonal priorities (such as winter rainfall) have to come from a different set of images.



Nevertheless, the images in **Figure 2** do show the extent of crop failure: the dark red areas of North West, Free State and northern KwaZulu-Natal, as well as the red or orange parts of KwaZulu-Natal, Eastern Cape and Limpopo. Note, the winter rainfall Western Cape and the vast area under livestock grazing in North West, Northern Cape and Free State do not show up.







Therefore, the analyst considered precipitation and vegetation maps for more information.

Precipitation, when compared with the long term average as in the rainfall anomaly (RFA), is an important determinant, although crop and grazing conditions depend as much on the *distribution* of rainfall as they do on the total amount that fell. The standard precipitation index (SPI) takes these factors into account (SPI - McKee et al., 1993) and was formulated to display drought events from rainfall data by quantifying precipitation deficits on different time scales. Spatially, the data are grouped per quaternary catchment for each time period and are based on the historical distribution of rainfall. The time period chosen here is the three-month average, so each image (for each month) represents a moving average over 24 months, twelve months, six months, three months and a single month for that particular month. These are published by the Agricultural Research Council's Institute For Soil, Climate And Water (ARC-ISCW) in their monthly publication "Umlindi – the Watchman".

Lastly, the condition of the vegetation shows the impact of rainfall (or the lack of it) on the actual crops and grazing. The vegetation condition index (VCI) has been chosen here.

Figures 3, 4 and 5 contain a time series of SPI, RFA and VCI, starting in December 2014 (in 2014 there was a localised drought in North West Province) and running up until February 2016. The SPI images are for three-month categories, which means they are like a three-month moving average ending at the particular month (e.g. the three-month SPI for November 2015 is the SPI for September, October and November 2015).

The development of the drought is clear. It began in the north of KwaZulu-Natal in December 2014, spread up to southern Mpumalanga in February 2015 and on to North West in March 2015, afflicting Free State in October 2015. The drought reached its worst in December 2015, with the rains finally arriving in the summer rainfall regions in January 2016. A month after the onset of these rains, the natural vegetation was showing recovery, although the cropping season was lost for much of North West, Free State, Northern Cape, northern KwaZulu-Natal, northern Eastern Cape, the lowveld of Mpumalanga and Limpopo and the Swartland area of Western Cape.

The vegetation condition image for January 2016 was chosen because it captures the after-effects of the previous months' low rainfall, as well as the relief that some parts of the country received that month for the limited rains.

Georeferencing, conversion of colour raster images to single-value vector format (Steps 11 to 16)

Much of the analysis depends on ground area measurements, for example the land area common between two overlapping variables. However, considering that the analysis is also at national scale, the maps reprojected to the South African Albers Equal Area Conical coordinate reference system (CRS). This was done by georeferencing the VCI raster image for January 2016 to the South African Albers Equal Area CRS² and the result is shown below in **Figure 6**. The colours in the image where the drought was worst are those with a value less than 0.35, that is: dark red, red and dark orange. The analyst was unable to obtain the original images with pixel values representing the VCI value, so the colour spectrum from this image was converted to suitable values. This was done by converting the pixel colours to greyscale, adjusting the red and green shades so that they do not have the same grey values (dark red and dark green can convert to the same grey shade, but obviously they represent opposite values on the image). This way, the green and red coloured pixels are staggered from one another in terms of grey shading. The result is shown below in **Figure 7**; note the greyscale value in square brackets (e.g. "[RGB=151]") after the VCI value on the legend.

The country and level 1 boundaries in the raster images needed removal. Fortunately, this was easily done by filtering the greyscale image on black and very dark values. It did, unfortunately, also leave 'holes', 'gashes' or blank values where the lines used to be.

2 The general shape of continental South Africa (i.e., excluding Marion and Gough Islands), being somewhat wider (maximum east-west dimension) than its height (north-south dimension), is suited to a conical projection. If the standard parallels are chosen correctly, Albers Equal Area gives a good representation of land area throughout the country, at the expense of distorting directional accuracy (except along the longitude of centre) and polygon shapes. The standard parallels used in all national maps with this projection have been chosen at 24.2° S and 32.8° S, with the longitude of centre at 25.1° E. The projection uses the World Geodetic Survey 1984 datum and ellipsoid, while map measurements and coordinates are in metres.

Figure 6: VCI image reprojected to the South African Albers Equal Area (please note the provincial boundaries are those of the image and are incorrect)

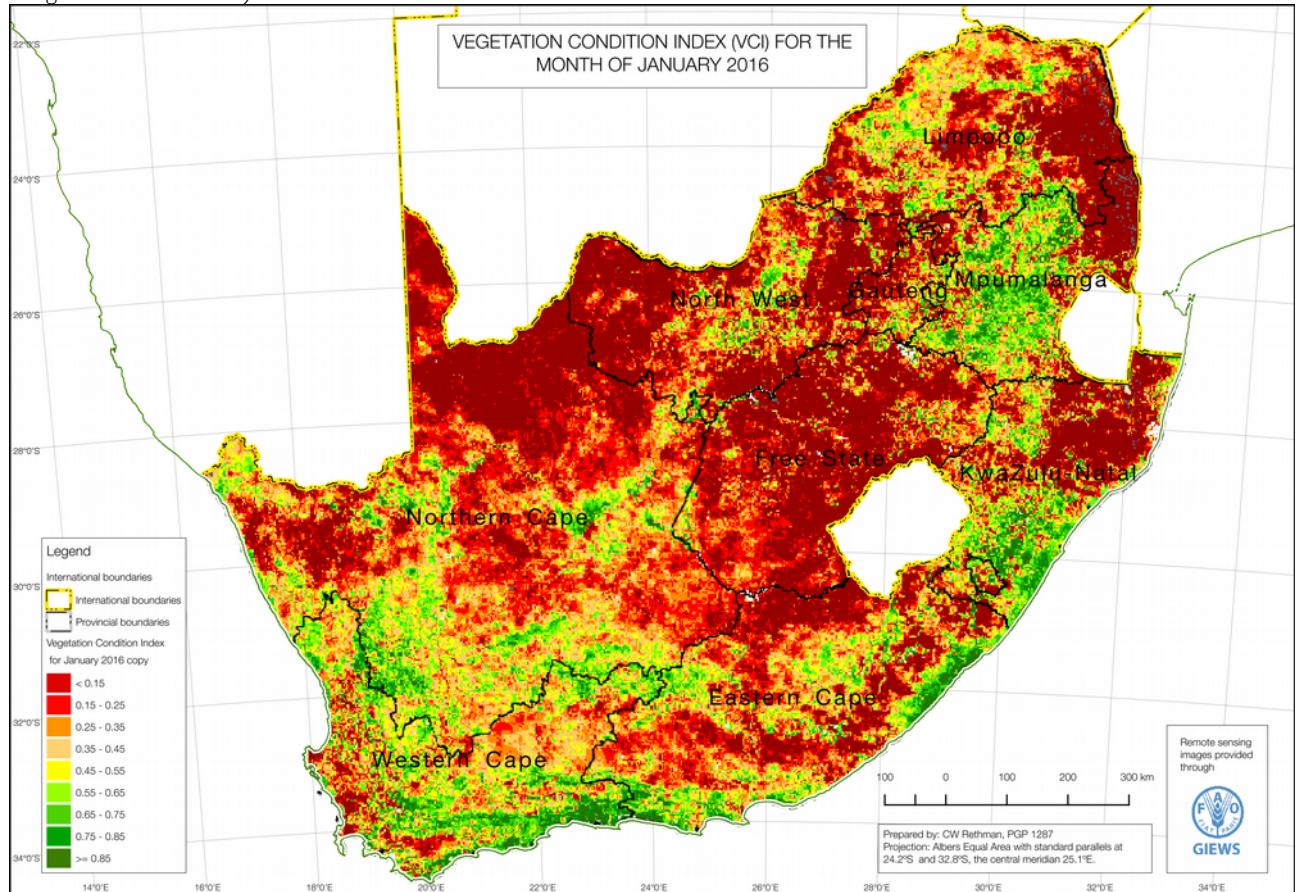
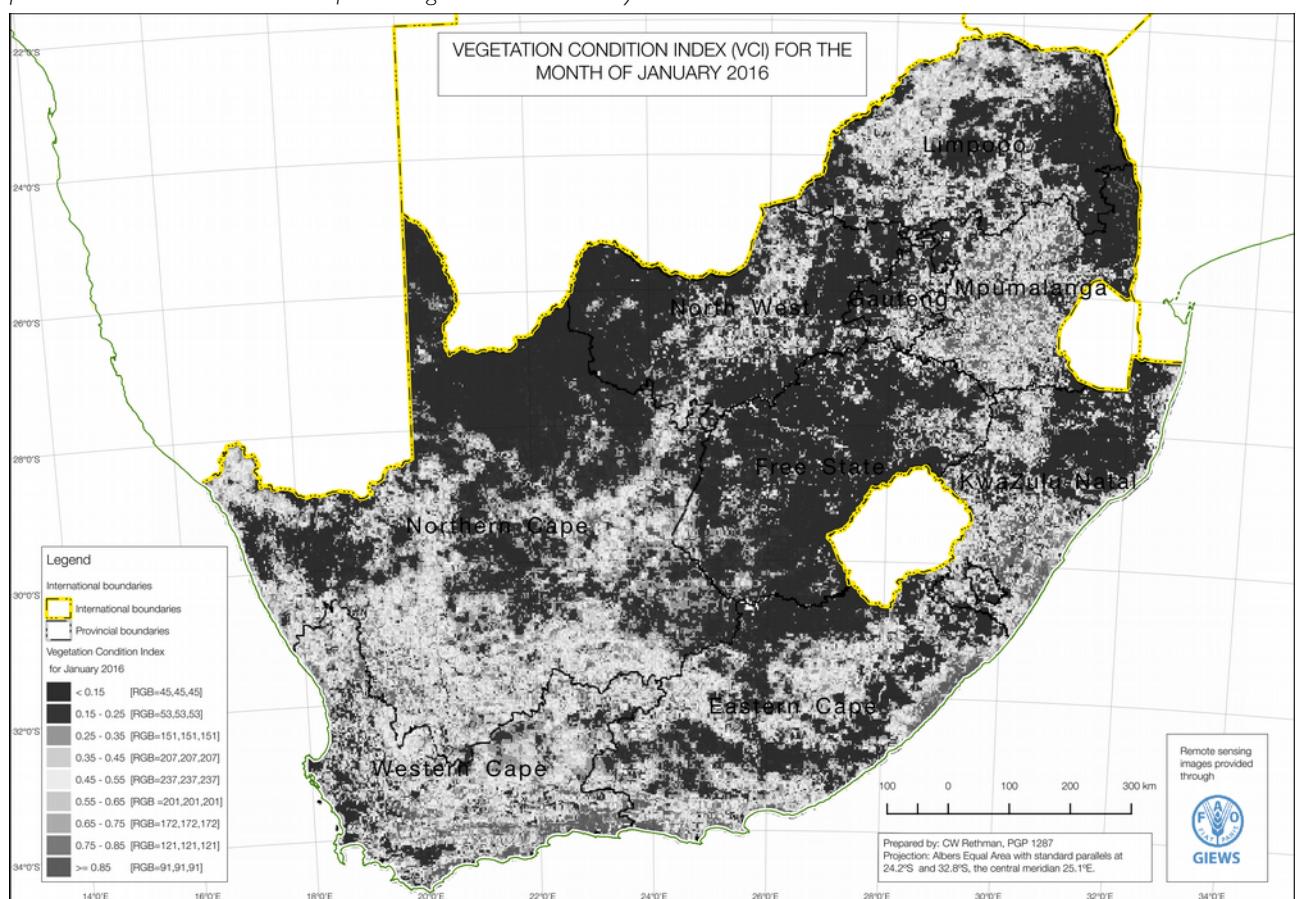
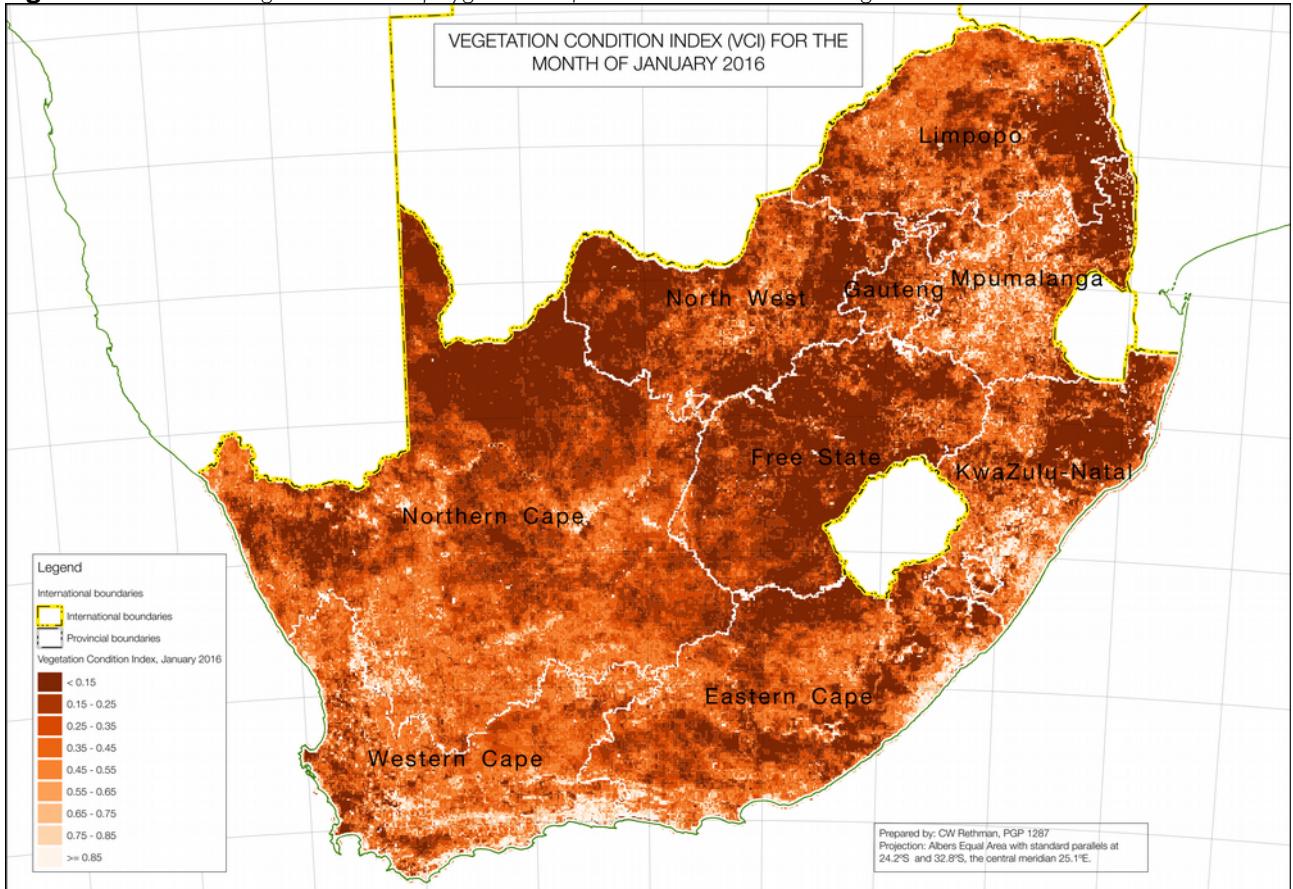


Figure 7: VCI image converted to greyscale, with reds offset from greens to ensure separation of shades (please note the provincial boundaries are those of the image and are incorrect)



This raster image could then be converted to a vector format. The conversion process applies a union (a ‘merge’ or ‘dissolve’) to adjacent pixels having the same shade, so that the resultant vector feature has polygons that comprise one or more pixels, depending on the shade values. The grey-shade values appeared as an attribute column on the vector table and were mapped to the VCI ranges by adding a column with the ranges values as text. The result was imported into PostGIS/Postgres and is shown in **Figure 8**. Note that although this graphic appears to be similar in its presentation as the greyscale image in **Figure 7**, it is in fact fundamentally different because the previously green areas of the map are now lighter than any of the red or orange areas. For example, compare the coastal belt just south of Durban, which was to be green in the original VCI image in **Figure 6**, then became a darker grey in **Figure 7** and a lighter orange in **Figure 8**.

Figure 8: VCI raster image converted to polygon vector format with the VCI value range restored

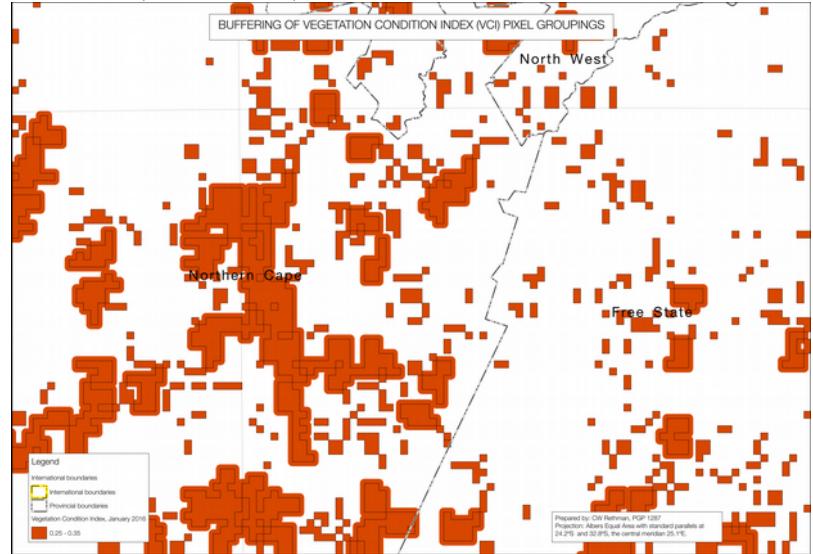


Buffering, cleaning and filtering out the small groups of pixels (Steps 17 to 19)

Very small areas of low vegetation condition could be considered outliers or anomalies that do not need to be included in the general hazard area. All features smaller than nine pixels were thus filtered out and the remaining features buffered by 1500 metres to ensure that when they are combined by a union into larger polygon features set out as the drought-affected area, they are closer to one another than one pixel width (which is approximately 2500 metres).

At this point all the extra graphics and paraphernalia from the remote-

Figure 9: The process of selecting only larger groups of pixels and buffering them, shown for VCI values of 0.25 to 0.3



sensing images can be removed as well; they are easily filtered out with simple spatial query parameters.

Obtaining the hazard area; filtering the worst affected pixels and then combining them together with a union (Step 20 and 21)

The threshold for ‘drought’ conditions was set at all VCI values below 0.35 and the buffered polygons were then combined to form a single ‘drought hazard area’ feature set. This drought hazard area is shown below in **Figure 10**. The feature set polygons were initially combined into a single large multipolygon, which was dumped into its many constituent pieces, so that the feature set table now has many rows, which are spatially indexed.

Figure 10: The ‘drought hazard area’ defined from the VCI remote sensing image for January 2016

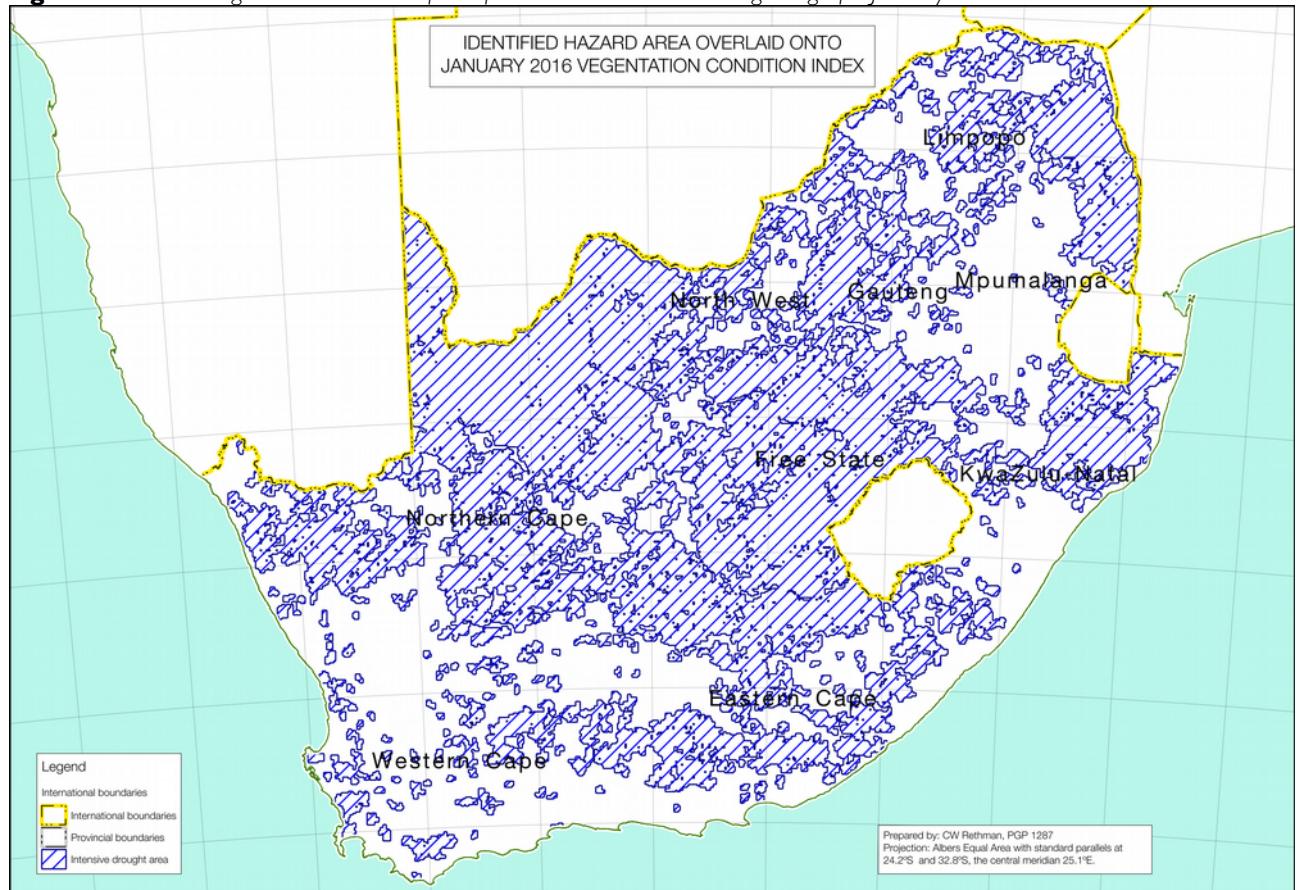


Figure 11 shows the drought hazard area superimposed onto the original VCI remote sensing image. The result is a satisfactory coverage of the worst drought areas in the country.

Crop Production

Analysing the crop estimates and obtaining worst and best areas (Step 22)

Crop estimates from the Crop Estimates Committee (CEC). These are published four times for each summer and winter season. However, the estimates available from the CEC on their website are totals for the provinces only, with the addition of a national figure for ‘subsistence’ agriculture. Going forward, it will be extremely useful if these provincial crop estimate numbers could be further broken, perhaps into district-level numbers or even better, municipality-level. This data will contain a lot more local resolution.

Crop problem specifications are arrived at by dividing this year’s production by the baseline year’s production over the same area. In all livelihood zones the baseline consumption year was 2013-2014, so the harvests achieved in 2013 served as the comparative production data, i.e., the problem specification is derived by dividing 2016 production data by 2013 production data.

Figure 11: The drought hazard area (affected area) superimposed onto the original VCI image for January 2016 (please note the provincial boundaries are those of the image and are incorrect)

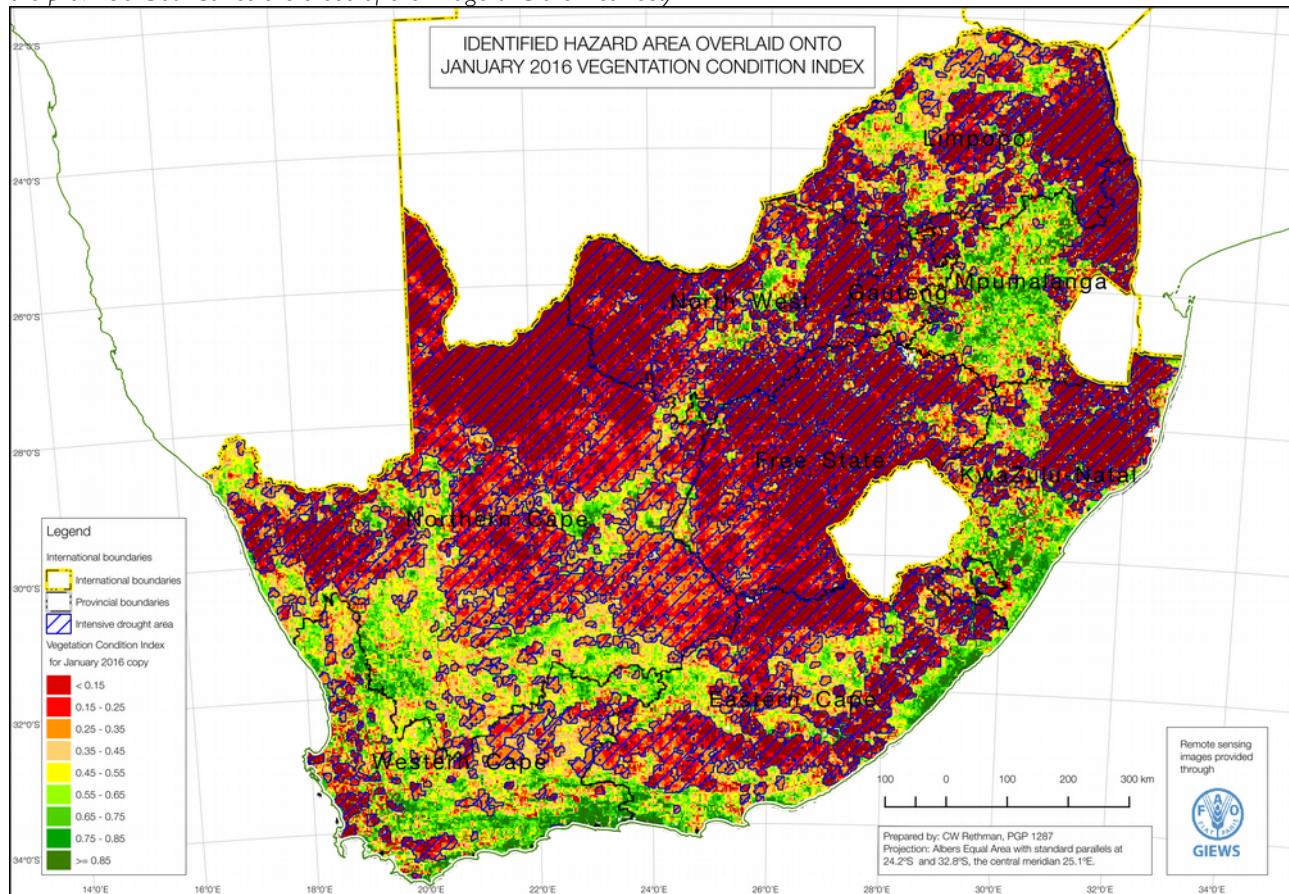


Table I - Crop production and problem specification values

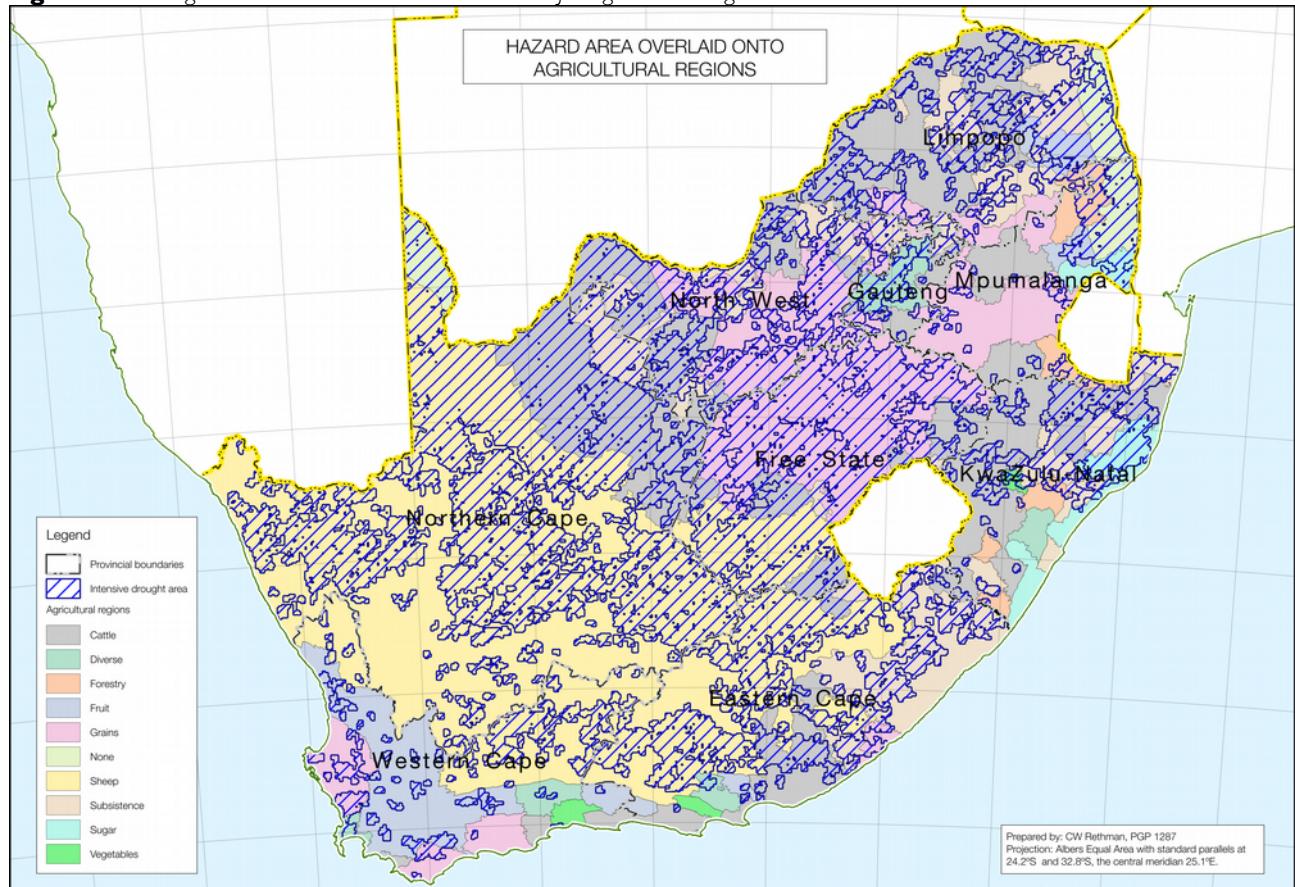
Province	Datum	Maize, white	Maize, yellow	Sorghum	Beans	Soya	Sunflower	Groundnuts	Wheat
Non-commercial	BL Prod	459,995	215,095						
	CY Prod	286,175	149,565						
	P. Spec	62%	70%						
Limpopo, commercial	BL Prod	153,000	136,300	21,000	10,800	55,000	79,200	1,200	142,800
	CY Prod	173,250	127,600	9,800	4,500	38,400	48,750	2,000	N/A
	P. Spec	113%	94%	47%	42%	70%	62%	167%	N/A
Mpumalanga, commercial	BL Prod	1,020,000	1,980,000	44,850	11,900	369,000	10,230	750	27,900
	CY Prod	672,000	1,452,000	35,000	6,000	360,000	4,400	-	N/A
	P. Spec	66%	73%	78%	50%	98%	43%	0%	N/A
North West, commercial	BL Prod	1,158,250	437,500	11,970	4,800	17,600	175,000	10,000	105,450
	CY Prod	680,000	200,000	3,900	3,300	13,950	232,750	8,550	N/A
	P. Spec	59%	46%	33%	69%	79%	133%	86%	N/A
Northern Cape, commercial	BL Prod	25,300	647,700	-	1,700	7,000	100	14,000	298,200
	CY Prod	35,625	665,000	-	630	12,400	600	15,500	N/A
	P. Spec	141%	103%	-	37%	177%	600%	111%	N/A
Gauteng, commercial	BL Prod	370,000	239,250	1,500	3,400	32,000	5,070	-	6,000
	CY Prod	205,800	218,400	-	3,500	48,300	-	-	N/A
	P. Spec	56%	91%	0%	103%	151%	0%	-	N/A
Free State	BL Prod	2,573,750	2,272,500	7,400	19,200	225,750	297,000	16,200	252,000
	CY Prod	1,092,000	37,800	37,800	17,000	156,600	440,000	6,500	N/A
	P. Spec	42%	42%	511%	89%	69%	148%	40%	N/A
KwaZulu-Natal	BL Prod	258,500	312,000	1,344	7,800	80,000	-	150	37,800
	CY Prod	193,800	278,400	2,000	2,640	61,600	-	-	N/A
	P. Spec	75%	89%	149%	34%	77%	-	-	N/A
Eastern Cape	BL Prod	18,500	87,000	-	200	750	-	-	19,800
	Prod	10,000	60,000	-	375	2,100	-	-	N/A
	P. Spec	54%	69%	-	188%	280%	-	-	N/A
Western Cape	BL Prod	3,000	30,000	-	400	-	-	-	914,500
	CY Prod	5,000	40,000	-	150	1,200	-	-	N/A
	P. Spec	167%	133%	-	38%	-	-	-	N/A
Total Commercial	BL Prod	5,580,300	6,142,250	88,064	60,200	787,100	566,600	42,300	1,804,450
	CY Prod	3,067,475	3,986,900	88,500	38,095	694,550	730,500	32,550	N/A
	P. Spec	55%	65%	60%	63%	88%	129%	77%	N/A

Table 1 above shows the production data for the 2013 baseline year, the current year (where available) and the problem spec for non-commercially grown and commercially grown major crops—with the commercially grown major crops subdivided by province.

Obtaining agricultural problem specifications for hazard and non-hazard sections (Steps 23 to 25)

The difficulty is that CEC crop estimates and problem specifications apply to the whole of each province; they do not discriminate between drought-affected and non-drought affected areas in each province. To discriminate between these two cases, the breakdown between ‘normal’ and ‘drought-affected’ areas was achieved by overlaying the drought hazard area from **Figure 10** onto the major agricultural regions, as shown in **Figure 12**, and then comparing the area of land under the hazard with that which is not for the agricultural region.

Figure 12: Drought hazard area overlaid onto the major agricultural regions



Areas under the hazard sections and non-hazard sections were derived through a spatial union of the hazard area, the agricultural regions and the provinces.

In terms of grain crops—primarily maize in the summer rainfall parts of the country—the approach was to decide on a reasonable crop problem specification for the *non-hazard* (or ‘normal’) sections of each agricultural region in each province and then calculate the *hazard section* problem specification from the CEC data for the province, the non-hazard problem specification and the comparative land areas for the hazard and non-hazard sections. Consideration was made on the degree of coverage of the hazard section on the agricultural regions in the province as well as the CEC crop estimates for that province when deciding on an appropriate non-hazard problem specification. In badly affected provinces (Free State, KwaZulu-Natal, Eastern Cape and North West) the non-hazard problem specification was 77%. In Limpopo, the drought varied in its intensity across the province, and the *non-hazard section* problem specification was 140%, while in Mpumalanga the *non-hazard section*, which in the end was larger than in Free State or KwaZulu-Natal due to the January rains, nevertheless suffered reduced production, so problem specification was set at 70%. The ‘subsistence’ (or open-access tenure) agricultural region also has maize production and also has hazard and non-hazard sections, although there are significant variations in the degree of affectedness from the hazard. A problem specification of 109% (i.e., 9% more than 2013 production) was used for the *non-hazard section* in these subsistence regions. In Northern

Cape and Western Cape, the tiny areas under maize were generally quite good in the *non-hazard* sections, being irrigated, and achieved a high problem specification of 200% (or double the 2013 value)³. At the time of analysis, winter crop production data for 2016 in were not available.

This resulted in problem specifications of 27% to 49% in all the provinces with large portions of the hazard section within them (highly-affected provinces).

The results are presented in **Table 2** below. These are very approximate calculations and are intended to illustrate a principle for estimating local problem specifications, not provide the most accurate answer. More accurate problem specifications can be obtained by viewing production data at a lower geographical level, such as municipality or lower. Detailed estimates have been produced at provincial and local levels both commercial and non-commercial growers using aerial and ground surveys, such as the *Producer Independent Crop Estimate System* by SiQ⁴. These kinds of surveys are recommended for improving accuracy in future analyses.

Table 2 - Crop production disaggregation for all provinces

Province	Agriculture Type	Area Agric. Type (Ha)	CEC Pr. Spec	Hazard	Hazard Area (Ha)	% Hazard Area	Hazard Prob. Spec
All provinces	Subsistence grains	13,198,889	62%	drought	7,884,053	60%	30%
				normal	5,314,836	40%	109%
Eastern Cape	Commercial grains	288,584	54%	drought	139,844	48%	30%
				normal	148,740	52%	77%
Free State	Commercial grains	7,987,746	42%	drought	6,804,745	85%	36%
				normal	1,183,001	15%	77%
Gauteng	Commercial grains	271,004	56%	drought	137,155	51%	36%
				normal	133,849	49%	77%
KwaZulu-Natal	Commercial grains	492	75%	drought	20	4%	27%
				normal	472	96%	77%
Limpopo	Commercial grains	1,023,062	113%	drought	285,091	28%	43%
				normal	737,971	72%	140%
Mpumalanga	Commercial grains	2,974,656	66%	drought	287,721	10%	29%
				normal	2,686,935	90%	70%
North West	Commercial grains	4,640,096	59%	drought	3,004,416	65%	49%
				normal	1,635,680	35%	77%
Northern Cape	Commercial grains	97	141%	drought	88	91%	135%
				normal	9	9%	200%
Western Cape	Commercial grains	2,097,713	167%	drought	508,228	24%	64%
				normal	1,589,485	76%	200%

The key crop problem specifications use in this analysis is that for ‘subsistence’ agricultural region grains, which were set at 30% in the hazard areas and 109% in the non-hazard (normal) areas. Problem specifications for other crops were set at 20% in the hazard areas and 100% in the non-hazard areas. Similarly, livestock production (milk and meat) problem specifications were set at 20% in hazard areas and 50% in non-hazard areas.

Obtaining problem specifications for employment, self-employment, small business and prices (Steps 26 and 27)

It is well-known that most South Africans purchase their food and this implies that an understanding of cash income sources are critical for any food security analysis in the country. Cash income sources consist of employment, grants⁵, self-employment, small businesses, gifts and remittances. It is important to differentiate between an income source quantity and the income itself: income source quantity refers to the amount of the thing people can use to get income, whereas income itself also takes into account the effect of *prices*, which will be dealt with in the next section. The problem specifications for the income source quantity and its price may be independent of one another, which is why they are analysed separately. Examples of income source quantities are ‘days of work’ for casual labour, ‘bundles of firewood’ for self-employment or ‘sales volume’ for small business. **Table 3** lists a summary of the most important income source quantity problem specifications for hazard and non-hazard section.

3 It must be remembered that total maize production in these two provinces is very small, so this seemingly high problem specification has little bearing on outcomes in these two provinces.

4 Website: <http://www.siq.co.za/pices.php>

5 Grants are considered in the section below as they are a special case and they also have enormous impact on the outcomes for rural people.

Table 3 - Income source quantity problem specifications for types of livelihood zones (where data are not shown it is because the income source is not in the baseline).

Livelihood zone types (abbreviation, code)	Hazard section	Agricultura l casual labour	Construction casual labour	Domestic casual labour	Formal employment	Labour migration	Self- employment	Small business	Gifts	Remittanc es
Urban poor (ZAUP, 59800)	Hazard	50%	50%	50%	100%		100%	100%	100%	100%
	Non-hazard	100%	100%	100%	100%		100%	100%	100%	100%
(ZAFW, 59050)	Hazard	50%	50%	50%	60%		80%	100%		
	Non-hazard	100%	100%	100%	100%		100%	100%	100%	100%
Rural open-access LZs	Hazard	50%	50%	50%	60%	40%	80%	80%	100%	100%
	Non-hazard	100%	100%	100%	100%	80%	80%	80%	100%	100%

Without any field surveys to draw upon, it was not possible to obtain problem specification data for each zone. Rather, single national problem specifications were applied, with some changes between rural open access livelihood zones, the commercial farm workers and the urban poor being apparent in formal employment (prospects in urban areas, whether hazard-affected or not, are the same as before), self-employment and small business.

Grants and non-grants recipients (Step 28)

Social grants are, for many families, a life-saving necessity. Furthermore, they are often the largest single source of income for many households and therefore are pivotal in this analysis. The two grants that have the largest impact are Old Age Grants and Child Support Grants. Although other grants such as War Veterans Grants are of substantial value for poor people, they provided to very small proportions of the population. However, the odds of a poor household having at least one child or one elderly person (male over 65 years or female over 60 years) and qualifying for social grants are reasonable and this is why social grants are factored into the livelihoods baselines. Nevertheless, there are *still* some households that do not qualify for some technical reason or are unable to benefit—what of them?

In order to capture them on our model, we consider two possible scenarios: one with social grants and one without. This means that the income source quantity problem specification for social grants is either 100% (representing those with grants) or 0% (representing those without grants).

This means that in each livelihood zone or analysis group there are four possible ‘partition scenarios’—scenarios partitioning people into one of four possible groups: **hazard section with grants**, **hazard section without grants**, **non-hazard section with grants** and **non-hazard section without grants**.

Running the analysis and collecting all the outcomes (Step 29 and 30)

The problem specification calculations were done manually using information collected from the field, baseline data and information from recent reports such as the Crop Estimate Survey report. The analysis was done by the team on the HEA spreadsheet using the baseline year data and current year forecasts.

The analysis used resilience level, lower bound and upper bound poverty lines to estimate individuals who are below the thresholds and require policy intervention.

The calculated problem specification percentages, which are the changes in the current year compared to baseline year, were entered into the analysis spreadsheet to calculate the food and expenditure deficit as well as number of people affected. The number of affected people was calculated using small area and enumeration area data for the respective areas for the 2008 Statistics South Africa Population and Household Census.

The results were then pooled together and a report was drafted.

Analysis of affected areas

The drought and its impact on cropping was not uniformly distributed across the province; it was not even uniformly distributed across livelihood zones. The team relied on images developed at the Limpopo Department of Agriculture that provide a spatial distribution on the performance of the growing season. **Figure 2** shows a particularly useful image, that of an index on the performance of the season, taking into account factors such as rainfall distribution, insolation, and other growing conditions.

Unfortunately, this image was difficult to translate into a vector format for deriving affected versus unaffected areas because of the grid overlaid onto it. The solution was to resampled it and this was done with an array or grid of vector points that was overlaid onto it. First of all, a grid of points was constructed so that each point fell inside the pixel 'square' of the image. This is shown as Step 2 in Figure 3, where the points grid has been placed onto the original image. Since the image 'blocks' (between the grey lines) were not even in size, the points grid had to be adjusted to align to a 'best fit'.

A GIS 'plugin' tool (QGIS Desktop Application > Plugins > Point Sampling Tool, www.qgis.org) was then used to extract the red, green and blue values from the original image. The result, Step 3, is shown in **Figure 4**.

The affected and unaffected populations for the four livelihood zones under study are calculated by overlaying the Small Area Layer from Statistics SA Census data onto the affected areas in Figure 6. The SAVAC has attributed each Small Area to its livelihood zone, so the spatial query performs four drought groupings:

- 1) Small Areas that are *entirely within* the affected area are classified *affected* and are assigned a value of 1.
- 2) Small Areas that straddle an affected area boundary *and have more than 50%* of their area overlapping it are classified *affected* and assigned a value of 1.
- 3) Small Areas that straddle an affected area boundary *but have less than 50%* of their area overlapping it are classified *unaffected* and assigned a value of 0.
- 4) Small Areas that lie *entirely outside* the affected area are classified *unaffected* and are assigned a value of 0.

It is then a simple matter to sum the populations in the Small Areas by their constituent administrative areas (such as Municipality, District) and by livelihood zone. A pivot table is the simplest way to achieve this cross-tabulation. This is presented overleaf in **Table I**.

It must be emphasised that **drought is only one type of hazard**; there are other kinds of hazards affecting people such as economic or prices changes. Hence, even people living in non-drought areas may still be at the same risk of food insecurity because of these other factors. Similarly, some people that exposed to a certain kind of hazard may not be vulnerable to it (for example, people earning a salary will likely not be as vulnerable to drought as people who farm). This means that not all people listed in the above Table I are necessarily at risk. This will be explored in more detail in the next sections, by studying each livelihood system and exploring the impacts of the various changes in environmental and the economic situations for different wealth groups.

North Eastern Limpopo Open Access Farming (ZALOF)

Villages were visited in Makhado municipality namely: Vuvha and Murunwa, both of which fall under the North Eastern Limpopo Open Access Farming (ZALOF) livelihood zone. The municipality has two service centres, Zhanani and Tshitale. These service centres are characterised with having moderate rainfall and in the September/October (2013/14) planting season for the baselines year, there was adequate infiltration which led to a normal planting season in which maize, beans and vegetables were planted. However, in the last (2014/15) summer season there were not sufficient rains to start planting, except along the rivers where farmers had already started planting crops such as maize and vegetables.

The affected areas were assigned the following problem specifications for crop productions:

Table 4 ZALOF crop problem specifications for affected areas

Crop	Problem Specification
Maize	40%
Beans	19%
Pumpkin	65%
Water melon	102%
Groundnuts	0%

Note: A problem specification of 40% implies 60% loss in production for the last year when compared with the baseline.

In the unaffected areas the problem specifications for these items was 100% (no change).

In addition to poor crop performance, milk and meat output dropped and the problem specification for these activities this year is 60%, while that for cattle and goat sales are normal (100%) but for chickens it is 15%.

Southern Limpopo Open Access Cattle and Crops (ZASLC)

Generally the onset of rains last season was delayed and the distribution was poor. Most parts of the zone received medium to low rainfall in the current

season. However, some planting rains were received in February but the greater part of the livelihood zone experienced dry spells leading to a 5% to 20% food decrease compared with the baseline. The erratic rainfall was worst in the municipalities of Fetakgomo, Greater Tubatse, Elias Motsoaledi, Ephraim Mogale and Makhudu Thamaga. Maize, sugar beans, cotton and vegetables were most affected by the dry spells.

The affected areas were assigned the following problem specifications for crop productions:

Table 5 ZASLC crop problem specifications for affected areas

Crop	Problem Specification
Maize	29%
Cowpeas	7%
Beans	19%
Pumpkin	100%
Water melon	88%
Sweet potato	0%
Groundnuts	0%

Note: A problem specification of 29% implies 71% loss in production for the last year when compared with the baseline.

In the unaffected areas the problem specifications for these items was 100% (no change).

In addition to poor crop performance, milk and meat output dropped due to poor grazing. The problem specification for these activities this year is 57%, while that for pig sales is 36%, cattle sales is 63%, goat sales is 50%, sheep sales is 58% and chicken sales is 51%.

Northern Open Access Cattle and Dry Land Crops (ZANOC)

Maize, beans, groundnuts, sweet potatoes and vegetables are the major crops produced in this livelihood zone. Generally, the onset of rains last season was delayed and the distribution has been poor and most farmers depend on rain-fed farming. Most areas within Lephalale, Polokwane, Molemole, Aganang, Mogalakwena, Makhado and Mogalakwena were characterised as having had dry spells with minimal to very low rainfall. Maize and cowpeas were the crops that were badly affected by the dry spell.

Table 6 ZANOC crop problem specifications for affected areas

Crop	Problem Specification
Maize	50%
Sorghum	89%
Cowpeas	0%
Beans	83%
Groundnuts	75%

Note: A problem specification of 89% implies 11% loss in production for the last year when compared with the baseline.

In the unaffected areas the problem specifications for these items was 100% (no change).

In addition to poor crop performance, milk and meat output dropped due to poor grazing. The problem specification for these activities this year is 50%, while cattle, goat and sheep sales remained normal (100%).

Lowveld Open Access Irrigated Cropping Livelihood Zone (ZALOI)

Maize, beans, groundnuts, sweet potatoes and vegetables are the major crops produced. The onset of rains during 2014/15 season was not delayed, comparing with the 2013/14 season. Greater Giyani, Thulamela and Mutale municipalities received the first rainfall in December 2014 and this lasted up until January 2015 in all three service centres (i.e.

Hlaneki, Guwela and Mhlava Willem). Mhlava Willem was the only service center that continued to receive rainfall up to March, making their on yield better than other the other service centres. Hlaneki and Guwela service centres received the soil preparation and planting rains but the dry spells resulted in failure for all their crops, except for sweet potatoes. Irrigated crops, for the few households that have access to irrigation (mostly middle and better off households), were also normal.

The affected areas were assigned the following problem specifications for crop productions:

Table 7 ZALO! crop problem specifications for affected areas

Crop	Problem Specification
Maize	37%
Irrigated maize	100%
Cowpeas	33%
Beans	75%
Rape (<i>morogo</i>)	5%
Water melon	13%
Sweet potato	100%
Groundnuts	5%

Note: A problem specification of 37% implies 63% loss in production for the last year when compared with the baseline.

In the unaffected areas the problem specifications for these items was 100% (no change).

In addition to poor crop performance, milk and meat output dropped dues to poor grazing. The problem specification for these activities this year is 57%, while that for pig sales is 36%, cattle sales is 63%, goat sales is 50%, sheep sales is 58% and chicken sales is 51%.

Livestock prices

Cattle numbers have decreased by about 5% -10% from the baseline and this is attributed to the dry spells, which resulted in livestock loss. However, the price of a bull in the current year has increased by 10% over baseline average price of R5000.

Agricultural income

Due to increased area planted by commercial farmers near the zones, agricultural income activities were available in the current year although farming areas were also affected by the dry spells. Overall, compared with the baseline year, availability of agricultural labour opportunities was considered normal. The price for agricultural labour went up by about 5% over baseline (2013-2014) prices.

Public Works Programme

The number of people employed through this program is almost the same as the baseline year. The wages obtained by households involved in this program slightly increased by less than 3 per cent.

Staple Food Purchase Price Changes

Purchase prices of staple food commodities (maize meal, samp, bread and rice) are projected (by March 2016) to have increased by around 12% from that of the baseline year (April 2013 to March 2014) in Limpopo Province. This is a problem specification of 112% and it is applied to all four livelihood zones. This projection is based on the previous price changes and on forecasts for inflation generally. This may or may not change in reality—a lot will depend on the domestic supply situation, the country's import requirements and the position with the Rand weakening further against the major currencies.

In rural areas of the province, all livelihood zones, there are fewer outlets and distribution costs mean that staple prices in the villages are higher than in towns or cities. Traders who *increase* their prices of food commodities *beyond that of increases* elsewhere are seen as exploiting vulnerable rural communities. This is because ‘very poor’ and ‘poor’ households in these zones purchase 50–70% of their annual food requirements, increases in staple prices seriously affects their access to food. This is a key parameter for the SAVAC to monitor.

Other Food Items' Purchase Price Changes

The cheapest way for people to obtain the food energy they need is through staple, usually maize. In a situation of outright starvation (a famine situation) it may be necessary for an

analyst to focus on this staple acquisition but in South Africa analysts are more concerned with poverty and inequality—which implies that quality of life and living standards are more the issue than mass shortage of food energy.

A diet that is confined to staples is not healthy at all and diversity is essential for people to obtain all the nutrients they require, providing them with the capacity for a productive and dignified life. In order to account this required diversity, the SAVAC and LimVAC were required to refer to standard food baskets used in other surveys, such as the Living Standards Surveys and General Household Surveys. The latter compares levels of consumption with poverty levels, the lowest of which is the Food Poverty Line (FPL). The FPL is composed of a list of varied commodities, the sum of the energy content of which still equals 8800 kJ per person per day (2100 kcal per person per day).

The SAVAC has used the same list of commodities as for its FPL and, taken together with staple, this represents the minimum threshold for household incomes in the villages. SAVAC Rand values for this threshold are similar to the provincial threshold used by Statistics South Africa, the differences reflect the purely rural local variations in prices and availability of commodities.

The non-staple FPL items are projected to increase at the provincial non-cereal food inflation rates, with the projection for the coming months based on the overall inflation projections. The resultant problem specification for the 2015-2016 consumption year for non-staple foods is 114%, or an increase in prices of 14% since the baseline year (April 2013 to March 2014). This was applied to all four livelihood zones.

Prices of Items Non-Food Basket (Lower Bound Poverty Line and Upper Bound Poverty Line, as well as the Resilience Line)

In addition to non-staple food products, households need to purchase other goods and services that meet their basic needs. These goods and services include items such as soap, paraffin, electricity, matches, salt (zero food energy), tea or coffee (zero food energy), services, schooling, health, veterinary, taxes, community contributions, clothing, communications, transport and so on.

When the cost of the smallest quantity of these commodities is added to that of staple and non-staple food, this becomes the Lower Bound Poverty Line (LBPL). When a larger quantity of each of these commodities is used, it defines the Upper Bound Poverty Line (UBPL).

Lastly, there are important *investments* that households must make each year if they are to have sustainable livelihoods. This means that they must spend on maintenance of all their capital (human, social, physical, environmental and financial) if they are to be able to develop themselves further and withstand or recover from future livelihood hazards. This expenditure therefore includes livelihood-specific investments in inputs for agriculture or business activities (including labour), educational investments, health and nutrition investments. Critically, these investments usually have a knock-on impacts from one wealth group to another; for example, money spent on labour hire by the better-off adds significantly to poorer households' incomes.

The sum of the expenditure on all of these investments with the other preceding expenditures in the UBPL, LBPL, FPL and staple purchase, make up the Resilience Line. Unlike the FPL, LBPL and UBPL, the Resilience Line varies across wealth groups, as households with more productive assets must spend more to maintain and use those assets.

The team used the general prevailing inflation rate with a forecast for the coming months to obtain the change in price from the baseline year (April 2013 to March 2014) to this year (April 2015 to March 2016) for the LBPL, UBPL and the resilience line. The resultant problem specification for these thresholds is 111%, or an 11% increase in prices. This was applied to all four livelihood zones.

Food availability

Generally, food is available in all retail outlets, such as the big grocery chain stores such as Pick'n Pay, Spar, and Shoprite, as well as the smaller local stores. There are some areas within the zones, including Greater Tubatse, Lephala, Fetakgomo, Mogalakwena, Mopani, Lepelle-Nkumpi, Maruleng and Greater Letaba that need monitoring as they will lose livestock this coming season if the rains are insufficient because of the lack of grazing.

Analysis of the livelihood zones

Analysis was done for both the drought-affected and unaffected areas of each livelihood zone. Both unaffected and affected areas had the same or very similar price problem specifications; the differences being in crop and livestock production.

Affected areas fared slightly worse than unaffected areas but the difference was not substantial, highlighting the relative unimportance of agriculture as a source of food and income, compared with social grants, paid employment and small businesses. The

hazards that are more likely to have an impact on livelihoods and consumption levels are therefore those that affect these incomes and expenditure, such as high borrowing rates (affecting the government's ability to deliver on social grants, as well as loans for starting businesses), high food purchase prices and the lack of opportunities for work (agricultural, domestic and short-term contracts, such as construction).

The poorest households invest the least in agriculture; they depend on social grants and casual work as their main source of income. The casual work may be domestic, construction or agricultural—in the case of the latter it may be local (within the village or on commercial farms). The *direct* impact of the drought on them has therefore been the least—*indirectly*, they may suffer from reduced work opportunities. This may seem counter-intuitive to readers schooled in reducing village economies to “subsistence agriculture”. Similarly, the better-off have either full time employment or a small business that cushions their livelihood from losses due to drought or weather hazards. It is actually the 'middle' households who are more dependent on agriculture but lack this cushion and who are most vulnerable to this kind of hazard.

The very poor and poor households do depend heavily on the market for their food and, with the kind of income activities in which they engage in such as weeding work, harvesting work, low-level petty trading, craft selling and domestic work already stretched to the limit, opportunities for them to expand their income are minimal. Hence, their vulnerability is to price changes and shocks.

Wealthier households may dispose of assets or switch non-essential expenditure to food purchases and essential expenditure.

In the baseline year, 'very poor' households in the North Eastern Limpopo Open Access Farming (ZALOF) and Lowveld Open Access Irrigated Cropping (ZALOI) are below the LBPL: the gap is R 4,571 and R 8,843 per household in each zone, respectively. This is expected to rise to R 4,784 and R 9,615 per household in the non-drought affected areas and to R 5,352 and R 10,726 in the drought-affected areas. In all livelihood zones, the 'very poor' are below the UBPL and their Resilience Level, while in the Northern Open Access Cattle and Dry Land Crops livelihood zone and the Southern Limpopo Open Access Cattle and Crops the 'poor' are, in addition to the 'very poor' below the UBPL and Resilience Line—in both drought-affected and -unaffected areas.

In an analysis of this kind in South Africa we are not as interested in starvation or in desperate life-threatening mass deprivation as we are in poverty, living standards and the opportunities people have for escaping the worst conditions. This is especially important

when viewed over time, factoring in impoverishment brought on by external events to households' livelihoods. This is because the comprehensive safety net and social grant system ought to cover the bare minimum needs for all citizens, automatically preventing famine or extreme deprivation for the great majority of people. However, the grant system is designed around needs for an *average year*, while this assessment studies the impact of ephemeral change, from one year to the next. Therefore, it is not surprising that there are *no food energy deficits* in any wealth group in any livelihood zone. Much more useful information can be obtained by considering a whole basket of food and non-food goods and investigating physical and economic access to them.

The SAVAC does this by converting all production (including production that is consumed directly) into a cash equivalent, based on what it would cost to have purchased the items consumed directly if they had not been produced by the household, and then adding the cash values together over a whole year to obtain an *annual total income*.

Table 8: Cross-tabulation of populations in livelihood zones and drought/non-drought affected areas against administrative areas

District / Municipalities	Population								Grand Total	
	59202 - ZANOC		59203 - ZASLC		59301 - ZALOF		59302 - ZALOI			
	No drought	Drought	No drought	Drought	No drought	Drought	No drought	Drought		
Capricorn	140,826	306,930	38,862	371,556					858,174	
Aganang	6,480	123,258							129,738	
Blouberg	49,269	84,663							133,932	
Lepele-Nkumpi			26,274	163,392					189,666	
Molemole	54,114	7,839							61,953	
Polokwane	30,963	91,170	12,588	208,164					342,885	
Greater Sekhukhune			152,022	646,206					798,228	
Elias Motsoaledi			68,067	35,646					103,713	
Ephraim Mogale			8,757	37,077					45,834	
Fetakgomo			10,026	76,611					86,637	
Greater Tubatse			50,154	242,718					292,872	
Makhuduthamaga			15,018	254,154					269,172	
Mopani			57,594	242,577			10,608	11,778	322,557	
Greater Giyani							10,608	11,778	22,386	
Greater Letaba			12,774	27,102					39,876	
Greater Tzaneen			44,790	133,797					178,587	
Maruleng			30	81,678					81,708	
Vhembe	72,687	61,041			73,803	317,136		28,500	553,167	
Makhado	72,687	60,780			35,391	75,789			244,647	
Mutale						6,261		1,407	7,668	
Thulamela			261		38,412	235,086		27,093	300,852	
Waterberg	41,733	194,454							236,187	
Bela-Bela	2,778								2,778	
Lephalale	16,137	33,906							50,043	
Mogalakwena	22,818	160,548							183,366	
Grand Total	255,246	562,425	248,478	1,260,339	73,803	317,136	10,608	40,278	2,768,313	

Figures 9, 10, 11 and 12 show the annual total incomes for all four wealth groups in the all four livelihood zones, for the baseline and the forecast year; the four bars on the left representing the baseline situation and the four bars on the right representing the forecast situation in the drought-affected part of the zone, after the analysis. **It is important to note three important features about these graphs:**

- Each bar represents a “wealth group”—these are groupings of households defined *in local terms* by their productive assets and their livelihood activities. The wealth groups are broken down into different percentages (the better-off are the fewest); *they are not quartiles*;
- Income values and expenditure thresholds have been normalised to a common household size;
- Income values and expenditure thresholds have been normalised to today's Food Poverty Line cost. This means that the FPL in the baseline is exactly the same as that of the current year. Based on relative cost, the LBPL, UBPL and Resilience lines may be higher or lower in the baseline, as may be the items in the bars.

It can be seen that the Resilience Line varies according to wealth group, generally rising with wealth. This is because resilience is about protecting and maintaining assets and livelihoods, which means households with more assets will need to expend more to maintain them and expenditure by one group of households that directly benefits other groups (such as expenditure by the 'better off' on labour hire or gift provision) must also be protected for these wealth groups.

Southern Limpopo Open Access Cattle and Crops livelihood zone (ZASCL)

Table 6 provides a summary of the total incomes for the 'poor' and 'very poor' wealth groups against this year's poverty lines (FPL, LBPL and UBPL). As can be seen in the table, neither wealth group is below either the FPL or the LBPL, whether drought-affected or not. However, the 'very poor' are below the UBPL in both the drought-affected and not affected areas, while the 'poor' are below the UBPL in the drought-affected areas only. It is important to note that both the 'very poor' and 'poor' also suffer a UBPL deficit in the baseline year—without the drought but under today's price regimes, both wealth groups are actually in a better position; it is only those that are in the drought areas that are worse off.

Table 9 - comparison of 'Poor' and 'Very poor' household incomes between baseline, unaffected and drought-affected areas in the Southern Limpopo Open Access Cattle and Crops livelihood zone this year

Measure	Cash equivalent in today's Rands
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	'Very Poor' wealth group			'Poor' wealth group		
	Baseline	Unaffected areas	Affected areas	Baseline	Unaffected areas	Affected areas
TOTAL Income	39,915	39,151	37,643	52,902	55,066	51,125
FOOD POVERTY	18,679	18,679	18,679	18,679	18,679	18,679
Food Poverty Deficit	0	0	0	0	0	0
LOWE R BOUND POVERTY	31,957	31,648	31,648	31,957	31,648	31,648
Lower Bound Deficit	0	0	0	0	0	0
UPPER BOUND POVERTY	55,603	54,745	54,745	55,603	54,745	54,745
Upper Bound Deficit	15,688	15,594	17,102	2,701	0	3,620

Figure 9 is a chart showing the some details of all wealth groups' total income in the *affected part* of the livelihood zone. The chart is based on the cost of the FPL, and normalises all the income as other poverty lines against this; the apparent reduction in incomes actually results from the rise in the cost of the FPL—in purely nominal terms, households' incomes actually rise for the current year (April 2015 to March 2016) when compared with the baseline (April 2013 to March 2014).

High Food Price Scenario

Commercial farmers in South Africa are also facing a production crisis that could result in local supply shortfalls, while the recent slide in the value of the Rand could possibly raise the cost of imports significantly. The 'very poor' and 'poor' households in this zone are very reliant on food purchases, obtaining, respectively, approximately 69% and 63% of their total annual food energy intake from this source. This makes them vulnerable to price increases. For any wealth group to experience a Food Poverty Deficit (and therefore facing starvation) in this livelihood zone, the price of foodstuffs will need to rise by 150% when compared with 2013-2014 levels (the new price would be 2.5 times the baseline). This means that maize, which retailed for approximately R 6.00 a kilogram in 2013-2014, would have to cost R 14.01 currently. For households from any wealth group to fall below the Lower Bound Poverty Line (a measure of dire poverty), the prices of food stuffs will need to rise by 65% when compared with 2013-2014 levels (the new price would be 1.65

times the baseline). This means that maize would cost R 9.28 instead of R 6.00 in the baseline.

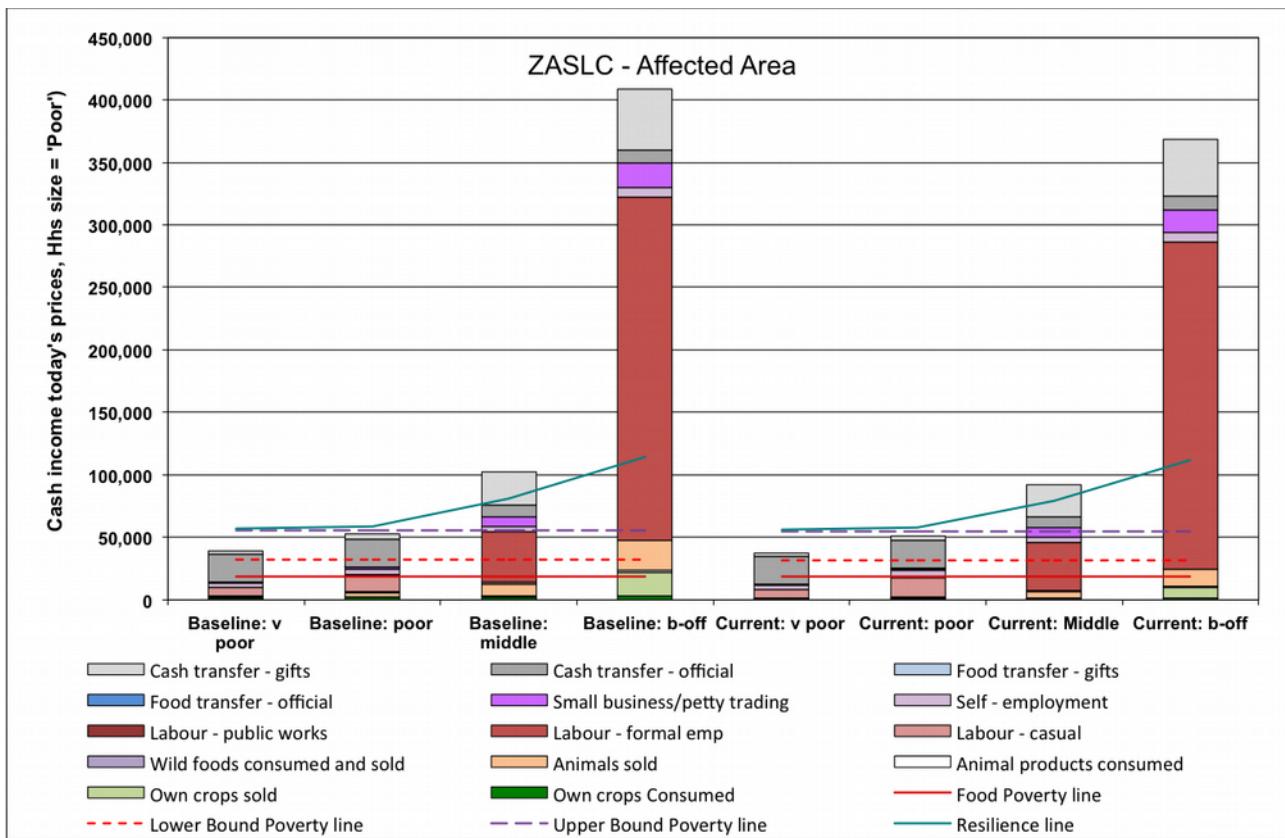


Figure 13: Total income for all wealth groups in the drought-affected areas of Southern Limpopo Open Access Cattle and Crops livelihood zone

Northern Open Access Cattle and Dry Land Crops (ZANOC)

Table 7 provides a summary of the total incomes for the 'poor' and 'very poor' wealth groups against this year's poverty lines (FPL, LBPL and UBPL). As can be seen in the table, neither wealth group is below either the FPL or the LBPL, whether drought-affected or not. However, the 'very poor' are below the UBPL in both the drought-affected and not affected areas, while the 'poor' are below the UBPL in the drought-affected areas only. It is important to note that both the 'very poor' and 'poor' also suffer a UBPL deficit in the baseline year and *under today's price regimes*, the 'very poor' are actually in a marginally better position, while the 'poor' in the drought areas have a deficit and this deficit is slightly worse than the baseline.

Figure 10 is a chart showing the some details of all wealth groups' total income in the *affected part* of the livelihood zone. The chart is based on the cost of the FPL, and normalises all the income as other poverty lines against this; the apparent reduction in incomes actually results from the rise in the cost of the FPL—in purely nominal terms,

households' incomes actually rise for the current year (April 2015 to March 2016) when compared with the baseline (April 2013 to March 2014).

Table 10 - comparison of 'Poor' and 'Very poor' household incomes between baseline, unaffected and drought-affected areas in the Northern Open Access Cattle and Dry Land Crops livelihood zone this year

Measure	Cash equivalent in today's Rands					
	'Very Poor' wealth group			'Poor' wealth group		
	Baseline	Unaffected areas	Affected areas	Baseline	Unaffected areas	Affected areas
TOTAL Income	39,954	41,142	40,808	51,864	52,036	50,603
FOOD POVERTY	21,864	21,864	21,864	21,864	21,864	21,864
Food Poverty Deficit	0	0	0	0	0	0
LOWER BOUND POVERTY	35,135	34,833	34,833	35,135	34,833	34,833
Lower Bound Deficit	0	0	0	0	0	0
UPPER BOUND POVERTY	58,769	57,930	57,930	58,769	57,930	57,930
Upper Bound Deficit	18,815	16,788	17,122	6,905	0	7,327

High Food Price Scenario

Commercial farmers in South Africa are also facing a production crisis that could result in local supply shortfalls, while the recent slide in the value of the Rand could possibly raise the cost of imports significantly. The 'very poor' and 'poor' households in this zone are very reliant on food purchases, obtaining, respectively, approximately 93% and 70% of their total annual food energy intake from this source. This makes them vulnerable to price increases. For any wealth group to experience a Food Poverty Deficit (and therefore face starvation) in this livelihood zone, the price of foodstuffs will need to rise by 114% when compared with 2013-2014 levels (the new price would be 2.14 times the baseline). This means that maize, which retailed for R 5.38 a kilogram in 2013-2014, would have to cost R 11.50 currently. For households from any wealth group to fall below the Lower Bound Poverty Line (a measure of dire poverty), the prices of food stuffs will need to rise by 46% when compared with 2013-2014 levels (the new price would be 1.46 times the baseline). This means that maize would cost R 7.85 instead of R 5.38 in the baseline.

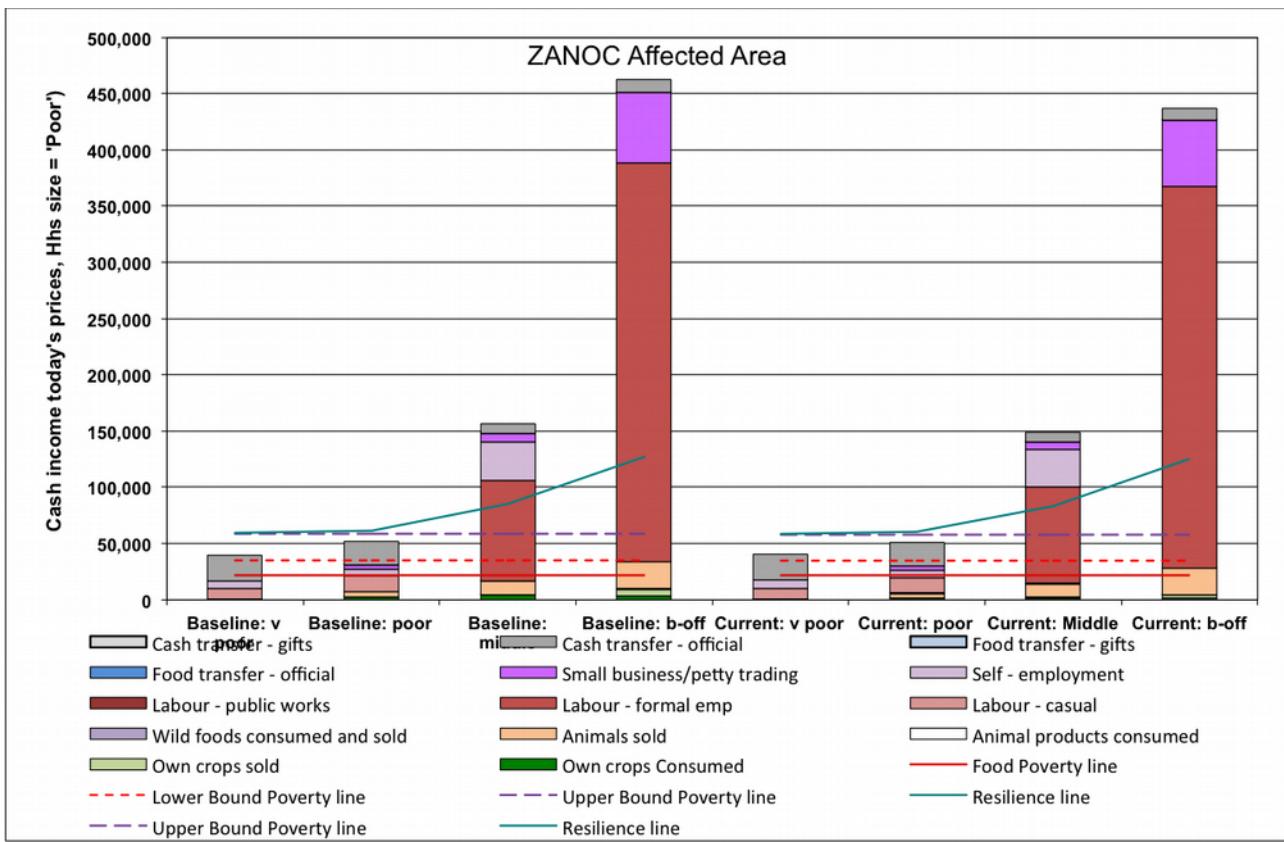


Figure 14: Total income for all wealth groups in the drought-affected areas of Northern Open Access Cattle and Dry Land Crops livelihood zone

Lowveld Open Access Irrigated Cropping (ZALOI)

'Very poor' and 'poor' households in this zone purchase 57% and 65%, respectively, of their total food energy intake. This is somewhat less than other livelihood zones and it demonstrates that they depend a little more on their own agriculture, making them slightly more vulnerable to crop failure from drought than other livelihoods.

Table 8 provides a summary of the total incomes for the 'poor' and 'very poor' wealth groups against this year's poverty lines (FPL, LBPL and UBPL). As can be seen in the table, neither wealth group is below either the FPL, whether drought-affected or not. However, the 'very poor' are below both the LBPL and the UBPL in both drought-affected and non-affected areas, while the 'poor' are not below either. It is important to note that the 'very poor' also suffer a LBPL deficit in the baseline year—this has worsened by R 760 in the non-affected areas and R 2,046 in the affected areas, meaning that their increased poverty is a function of both the present price regime as well as the drought.

Table 11 - comparison of 'Poor' and 'Very poor' household incomes between baseline, unaffected and drought-affected areas in the Lowveld Open Irrigated Cropping livelihood zone this year

Measure	Cash equivalent in today's Rands					
	'Very Poor' wealth group			'Poor' wealth group		
	Baseline	Unaffected areas	Affected areas	Baseline	Unaffected areas	Affected areas
TOTAL Income	38,184	37,030	35,744	80,912	76,632	73,939
FOOD POVERTY	29,947	29,947	29,947	29,947	29,947	29,947
Food Poverty Deficit	0	0	0	0	0	0
LOWER BOUND POVERTY	47,026	46,632	46,632	47,026	46,632	46,632
Lower Bound Deficit	8,842	9,602	10,888	0	0	0
UPPER BOUND POVERTY	74,610	73,578	73,578	74,610	73,578	73,578
Upper Bound Deficit	36,426	36,548	37,834	0	0	0

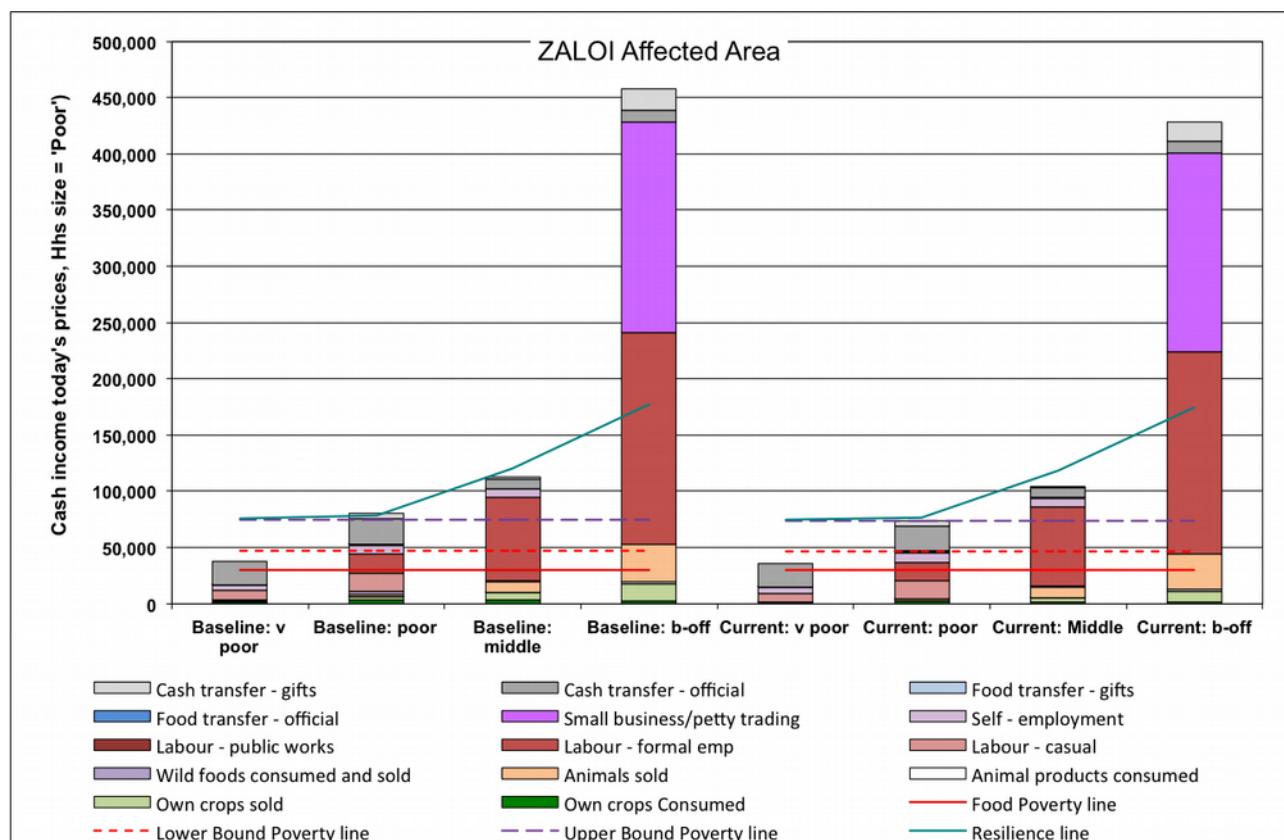


Figure 15: Total income for all wealth groups in the drought-affected areas of Lowveld Open Access Irrigated Cropping livelihood zone

Figure 11 is a chart showing the some details of all wealth groups' total income in the affected part of the livelihood zone. The chart is based on the cost of the FPL, and

normalises all the income as other poverty lines against this; the apparent reduction in incomes actually results from the rise in the cost of the FPL—in purely nominal terms, households' incomes actually rise for the current year (April 2015 to March 2016) when compared with the baseline (April 2013 to March 2014).

High Food Price Scenario

Commercial farmers in South Africa are also facing a production crisis that could result in local supply shortfalls, while the recent slide in the value of the Rand could possibly raise the cost of imports significantly. Households in this zone are vulnerable to price increases and for any wealth group to experience a Food Poverty Deficit (and therefore face starvation) in this livelihood zone, the price of foodstuffs will need to rise by 39% when compared with 2013-2014 levels (the new price would be 1.39 times the baseline). This means that maize, which retailed for R 4.00 a kilogram in 2013-2014, would have to cost R 5.56 currently.

North Eastern Limpopo Open Access Crop Farming (ZALOF)

'Very poor' and 'poor' households in this zone purchase 38% and 51%, respectively, of their total food energy intake. This is somewhat less than other livelihood zones and it demonstrates that they depend a little more on their own agriculture, making them more vulnerable to crop failure from drought than other livelihoods.

Table 9 provides a summary of the total incomes for the 'poor' and 'very poor' wealth groups against this year's poverty lines (FPL, LBPL and UBPL). As can be seen in the table, neither wealth group is below either the FPL, whether drought-affected or not. However, the 'very poor' are below both the LBPL and the UBPL in both drought-affected and non-affected areas, while the 'poor' are not below either. It is important to note that the 'very poor' also suffer a LBPL deficit in the baseline year—this has worsened by R 184 in the non-affected areas and R 856 in the affected areas, meaning that their increased poverty is a function of both the present price regime as well as the drought.

Figure 12 is a chart showing the some details of all wealth groups' total income in the *affected part* of the livelihood zone. The chart is based on the cost of the FPL, and normalises all the income as other poverty lines against this; the apparent reduction in incomes actually results from the rise in the cost of the FPL—in purely nominal terms, households' incomes actually rise for the current year (April 2015 to March 2016) when compared with the baseline (April 2013 to March 2014).

Table 12 - comparison of 'Poor' and 'Very poor' household incomes between baseline, unaffected and drought-affected areas in the Lowveld Open Irrigated Cropping livelihood zone this year

Measure	Cash equivalent in today's Rands					
	'Very Poor' wealth group			'Poor' wealth group		
	Baseline	Unaffected areas	Affected areas	Baseline	Unaffected areas	Affected areas
TOTAL Income	30,627	30,141	29,469	65,554	63,541	61,814
FOOD POVERTY	21,926	21,926	21,926	21,926	21,926	21,926
Food Poverty Deficit	0	0	0	0	0	0
LOWER BOUND POVERTY	35,197	34,895	34,895	35,197	34,895	34,895
Lower Bound Deficit	4,570	4,754	5,426	0	0	0
UPPER BOUND POVERTY	58,832	57,992	57,992	58,832	57,992	57,992
Upper Bound Deficit	28,205	27,851	28,523	0	0	0

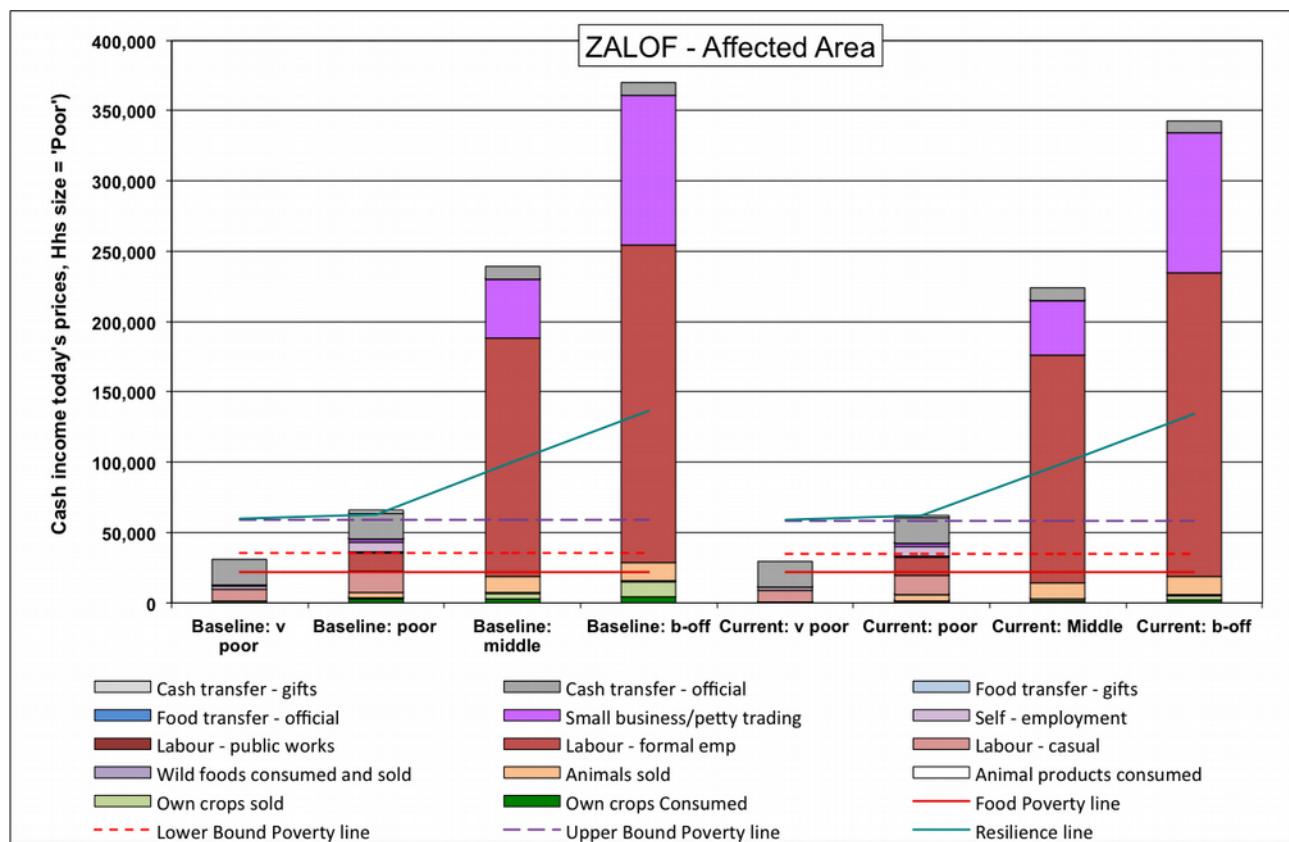


Figure 16: Total income for all wealth groups in the drought-affected areas of the North Eastern Limpopo Open Access Crop Farming livelihood zone

High Food Price Scenario

Commercial farmers in South Africa are also facing a production crisis that could result in local supply shortfalls, while the recent slide in the value of the Rand could possibly raise the cost of imports significantly. Households in this zone are vulnerable to price increases and for any wealth group to experience a Food Poverty Deficit (and therefore face starvation) in this livelihood zone, the price of foodstuffs will need to rise by 61% when compared with 2013-2014 levels (the new price would be 1.61 times the baseline). This means that maize, which retailed for R 5.00 a kilogram in 2013-2014, would have to cost R 8.05 currently.

Summary of Deficits in Livelihood Zones and Administrative Areas

The household deficits in each analysis are combined with population breakdowns for the livelihood zones in each administrative area. The tables overleaf are arranged as a cross-tabulated pivot table: Livelihood zones are in columns and districts or municipalities are in rows. Numbers are only reported if the livelihood zone is experiencing a deficit for at least one wealth group.

Populations below the Lower Bound Poverty Threshold, with the Total Deficits (total of amount below the LBPL)

		lz_name	Data	Lowveld open access irrigated cropping		Northern open access cattle and dryland crops		Southern Limpopo open access cattle and crops		North eastern Limpopo open access farming		Total Total Deficit Pop	Total Total Deficit
District	Municipality	Total Deficit Pop	Total Deficit	Total Deficit Pop	Total Deficit	Total Deficit Pop	Total Deficit	Total Deficit Pop	Total Deficit	Total Deficit Pop	Total Deficit		
Capricorn	TOTAL Aganang Blouberg Lepele-Nkumpi Molemole Polokwane			-	-	-	-	-	-	-	-	-	-
Greater Sekhukhune	TOTAL Elias Motsoaledi Ephraim Mogale Fetakgomo Greater Tubatse Makhuduthamaga			-	-	-	-	-	-	-	-	-	-
Mopani	TOTAL Greater Giyani Greater Letaba Greater Tzaneen Maruleng	11,420	14,673,076	11,420	14,673,076	-	-	-	-	11,420	14,673,076	11,420	14,673,076
Vhembe	TOTAL Makhado Mutale Thulamela	14,542	19,788,974	-	-	-	-	103,239	91,181,310	117,781	110,970,284	29,355	25,505,276
Waterberg	TOTAL Bela-Bela Lephalale Mogalakwena	718	976,950	13,824	18,812,024	-	-	1,656	1,495,256	2,374	2,472,206	72,228	64,180,778
Total Result		25,962	34,462,050	-	-	-	-	103,239	91,181,310	129,201	125,643,360		

Populations below the Upper Bound Poverty Threshold, with the Total Deficits (total of amount below the UBPL)

		lz_name	Data	Northern open access cattle and dryland crops	Southern Limpopo open access cattle and crops	North eastern Limpopo open access farming	Total Total Deficit Pop	Total Total Deficit	
dc_name	mn_name	Total Deficit Pop	Total Deficit	Total Deficit Pop	Total Deficit	Total Deficit Pop	Total Deficit		
Capricorn	Aganang			327,717	741,776,171	297,987	632,911,657		
	Blouberg			94,955	218,791,195			94,955 218,791,195	
	Lepele-Nkumpi			98,022	221,075,181			98,022 221,075,181	
	Molemole			45,348	98,739,994			45,348 98,739,994	
	Polokwane			89,392	203,169,801	162,377	342,733,836	251,769 545,903,637	
Greater Sekhukhune	Elias Motoaledi			560,153	1,209,732,924			560,153 1,209,732,924	
	Ephraim Mogale			60,540	143,762,910			60,540 143,762,910	
	Fetakgomo			32,160	69,454,725			32,160 69,454,725	
	Greater Tubatse			62,440	133,098,114			62,440 133,098,114	
	Makhuduthamaga			206,940	445,415,785			206,940 445,415,785	
				198,073	418,001,390			198,073 418,001,390	
Mopani	Greater Giyani	11,420	53,412,488		210,553	454,797,625		221,973 508,210,113	
	Greater Letaba	11,420	53,412,488		26,676	58,994,668		11,420 53,412,488	
	Greater Tzaneen				122,600	267,659,737		26,676 58,994,668	
	Maruleng				61,277	128,143,220		122,600 267,659,737	
								61,277 128,143,220	
Vhembe	Makhado	14,542	68,763,424	97,878	218,096,241		103,239	488,607,288	
	Mutale			97,686	217,654,623		29,355	138,530,126	
	Thulamela	718	3,394,741				1,656	7,860,145	
		13,824	65,368,683	192	441,618		72,228	342,217,017	
Waterberg	Bela-Bela			172,857	394,940,806			172,857 394,940,806	
	Lephala			2,035	4,388,012			2,035 4,388,012	
	Mogalakwena			36,625	82,859,141			36,625 82,859,141	
				134,197	307,693,653			134,197 307,693,653	
Total Result		25,962	122,175,912	598,452	1,354,813,218	1,068,693	2,297,442,206	1,796,346	4,263,038,624

Conclusion

In the current year, April 2014 to March 2016, households face problems with the current drought, including reduced food production, reduced opportunities for income, increases in prices of food and increases in prices of other essential household items. This impacts on the poorest households the most.

The 'very poor' households in all zones rely mostly on purchases (an average of 85% of their total annual food energy intake) and this makes them vulnerable to food price increases. The combination of high food and other commodity prices, constrained work opportunities (especially through reduced availability of *both agricultural labour and domestic labour opportunities*), augmented somewhat by poor crop production in April 2015, reduces household capacity to access quality food and a decent standard of living, defined by the Upper Bound Poverty Line. In the North Eastern Open Access Crop Farming and the Lowveld Open Access Irrigated Farming livelihood zones, 'very poor' households are living below the Lower Bound Poverty Line. Although the same outcomes exist in the baseline as well, the *margins of deficit have increased this year*.

Approximately 1,796,300 people are below the Upper Bound Poverty Line and their accumulated poverty gap is R 4.263 billion. Approximately 129,200 people are below the Lower Bound Poverty Line and their accumulated poverty gap is R 125.6 million.

Recommendations

1. Government should consider an assistance package for the 'very poor' households which are likely to miss some of their livelihood entitlements in the coming three months. This could be in the form of scaling up social relief grants to increase household incomes;
2. The Extended Public Works Programme (EPWP) should be targeted to the very poor and poor households so as to increase the available employment slots, hence improving the frequency a household can benefit from the programme in a year;

3. The current SAVAC projections are based on current conditions such as current price of maize meal. An efficient monitoring system especially for the price of maize meal is required to be able to analyse the likely impact of further price increases on household access to food;
4. There is a high potential to increase household incomes through irrigation of vegetable production which is plentiful in the zone especially during the peak season. There is a need for further investigation of this potential medium- to longer-term economic intervention in the area;
5. There is a need to distribute government agricultural inputs in time to ensure timely operation of agricultural activities;
6. Improve access to community micro-financing for job creating opportunities

Table of Areas Visited

District	Municipality		Selected Areas for the HEA
Southern Limpopo Open Access Cattle and Crops (ZASLC) Livelihood Zone			
Capricorn	Lepele-Nkumpi	Atleast two	GaMakgoba A
			Kwaripe
			GaThaba
Greater Sekekhukhune	Elias Motsoaledi	Atleast one	Hlogotlou
			Dikgalaopeng
	Ephraim Mogale	Atleast two	Manotolwaneng
			Tsimanyame
			Ngwalemong
	Makhuduthamaga	Atleast two	Manganeng
			Masehlaneng
			Matlakatle
		Atleast two	Ga-Manyaka

			Kgautswana
	Greater Tubatse		Ga-Malekana
	Fetakgombo	All	Mohlaletsi
Mopani	Maruleng	All	Finale
	Greater Tzaneen	Atleast two	Hoveni
			Mulati
			Khujwana
	Greater Letaba	All	Jamela
Lowveld Open Access Irrigated Cropping (ZALOI) Livelihood Zone			
Mopani	Greater Giyani	Atleast four	KaDzingidzingi
			Bode
			KaHomu
			KaHhlaneiki
			KaNkomo
Vhembe	Thulamela	Atleast three	Matangari
			Maraxwe
			Makonde
			Mbahela
			Tshiombo
	Mutale	All	Dzimauli
North Eastern Limpopo Open Access Farming (ZALOF) Livelihood Zone			
Vhembe	Thulamela	Atleast three	Malavuwe
			Tshaulu
			Mudzidzidzi
			Mangondi A
			Lambani
			Milaboni
	Mutale	All	Tshixwadza

	Makhado	All (Waterberg team)	Murunwa Valdezia Vuvha A
Northern Open Access Cattle and Dry Land Crops (ZANOC) Livelihood Zone			
Waterberg	Mogalakwena	All	GaMonare Ga-Mushi
			Melkbosch
	Lephalale	All	
	Makhado	All (Waterbeg team)	Maangani Zamekomste
Vhembe			Themba Luvhilo
Capricorn	Polokwane	All	Ramakgaphola
	Aganang	Atleast two	Mohlajeng Monotwane Glen Roy
	Blouberg	All	Mmankgod My Darling
	Molemole	All	Ga-Sako