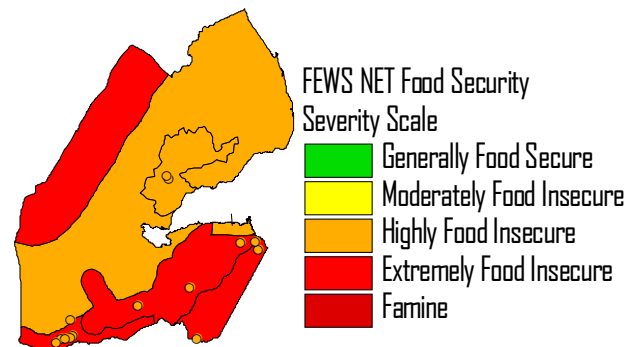


DJIBOUTI Food Security Update

April 2008

- In the northwest, central and southeast pastoral livelihood zones, a combination of successive poor rainfalls in the past two seasons, the failure of the heys/dada (October-February) and the current delay in the Sougoum/Diraac rains (March-May), has led to deterioration in livestock conditions. This has resulted in lack of milk production and loss of food and income from livestock and livestock products. High staple food prices are also limiting access to food for poor pastoral households pushing them toward extreme levels of food insecurity. The number of people in need of food aid in pastoral areas is expected to increase from 55,000 to 80,000 from April through at least at the end of the year.

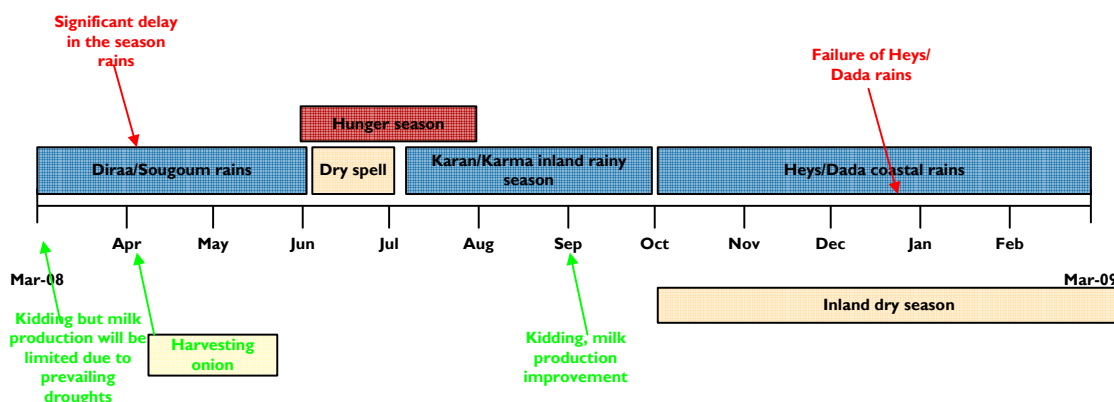
Figure 1. Estimated current food security conditions, Second quarter 2008 (April to June)



Source: FEWS NET Djibouti

- Livestock assets have been depleted in recent years due to continued degradation of pasture and water sources and subsequent high mortality rates. Loss of livestock in this season alone was estimated between 40 to 50 percent. Those households that have lost entire stocks could be forced into sedentary livelihoods if they are unable to rebuild their herds.
- In Urban areas, increasing staple food prices over the last twelve months are limiting the purchasing power of poor households. The cost of the expenditure basket for poor households is currently above the emergency threshold (see figure 3) and all low and medium-cost coping strategies have been exhausted. They are currently able to cover only about two-thirds of their minimum daily calorie requirements (2,100kcls). These households are relying on assistance from relatives and neighbors, a social support system that is rapidly declining due to current economic conditions. This has led to high rates of malnutrition among the most vulnerable groups (children and women). Urban households are also less able to assist their relatives in the rural areas – a system of remittances which has existed for decades. Around 30 percent of the urban population (204,000 people) is currently at risk of food insecurity.

Seasonal calendar and critical events



Food security summary

Drought conditions are worsening in all pastoral livelihood zones. Migration options for pastoralists continue to be limited after two consecutive seasons of poor rainfall, a delay in the onset of the current season and drier than normal conditions in grazing areas of neighboring Somalia, Ethiopia and Eritrea. The October-February rains failed along Djibouti coastal grazing areas and inland pastures. Food and income from livestock and livestock products are at extreme lows. The loss of income has significantly affected the purchasing power of poor and middle pastoralists who rely on purchased cereals to meet the majority of their food needs. The situation is further aggravated by the increase in staple food prices (36 percent). The number of people in need of food aid in pastoral areas is expected to increase from 55,000 to 80,000. Incidents of Acute Water Diarrhea (AWD) are likely to occur in the water scarce areas.

The **Northwest Pastoral Livelihood Zone** has been the most affected by the recent drought. Poor rains last season combined with a reliance on livestock for the majority of income has increased the vulnerability of poor households in this zone. Availability of goat milk for human consumption and sale of goats has declined significantly due to poor animal body conditions. Most goats aborted in the early stages of pregnancy due to lack of sufficient feed and although the remaining females have started to kid; they are unable to produce enough milk to support their offspring. Recent field reports indicate that livestock have begun dying due to lack of pasture and browse and scarcity of water. Water catchments have dried out and the majority of livestock are now concentrated around permanent wells where water is extracted by diesel pumps. High mortality is likely if the rains are still insufficient by late April. Income and food from livestock has already been severely reduced.

Poor households in this zone purchase 60 to 70 percent of their food requirements from neighboring Ethiopian markets with income earned in large part from livestock and livestock product sales (60%). Self-employment constitutes the remaining 40% of total income earned. This includes trading salt in neighboring markets of Ethiopia (Eladar, Manda and Aishaita). The salt trade, however, has declined in recent years due to the exploration of salt in Ethiopia. This, combined with the significant loss in livestock income has severely reduced the purchasing power of the poor. Poor households in this zone are facing extreme food insecurity. According to recent assessments carried out by UNICEF, WFP and the government of Djibouti, malnutrition rates are above emergency thresholds. Emergency general food distributions are currently underway.

In the Central Pastoral Livelihood Zone food purchases, in large part with income from remittances, account for the overwhelming majority (90 percent) of food needs. Increased staple food prices over the past year and decreased remittances (due to increased living costs in urban areas from where remittances primarily come) are affecting the food security of poor households in this zone. At the same time, income derived from goat sales has reduced significantly due to recurrent droughts. Livestock body conditions are poor and herds have moved to higher altitudes in search of browse. Although food and income from goats and goat milk is much less substantial for poor households than it is for middle and better-off households it is nonetheless important, as poor households live on the margins in normal years. The loss of income from livestock is compensated by an increase in firewood and charcoal sales to urban settlements, where households are seeking cheaper cooking fuel as a result of increased kerosene prices. However, this causes rapid environmental degradation without counter measures for reforestation.

Poor pastoralists in the **Southeast Pastoral Livelihood Zone** are extremely food insecure as a result of prevailing drought conditions. Camel milk production, which is the main source income, is at a minimum due to lack of sufficient feed. Food and income from livestock has declined significantly in this zone. Poor livestock body conditions have been reported and animals, particularly donkeys, have begun dying. Donkeys are used as pack animals for carrying water and bringing food commodities from the markets at long distances. A high proportion of poor households in this zone are bringing their children to urban areas, a coping strategy that is used during periods of extreme stress. Staple food prices have increased by 36%, creating widespread concern about the purchasing power of the poor pastoral population in this zone who rely on food purchases in the market for 60-70% of their annual food needs.

In the **Urban Livelihood Zone**, poor households are facing high food insecurity due to rising costs of living. The total expenditure basket for minimum staple food and essential non-food items is now above DJF 27,000. Poor households can no longer cover school and health related expenses or their minimum daily energy requirements. The estimated initial food deficit for poor households is around 36 percent. These households are currently filling part of the food gap through

assistance from family and neighbors, a social support system which is rapidly declining with increasing costs of living. Children, pregnant and lactating women are the most affected. The middle class population is also feeling the impact of rising living costs. If the situation continues this wealth group may no longer be able to provide support to poor relatives and neighbors.

In response to rural food insecurity, the government has started mobilizing local resources through Union Nationale des Femmes Djiboutiennes (UNFD). 50 million Djibouti francs (US \$ 284,000) are on hand and contributions are ongoing. The first general food aid distribution by UNFD was made in February 2008. WFP reactivated its EMOP operation and increased the number of beneficiaries from 47,500 to 55,000 people. WFP is currently distributing full rations in the Northwest Pastoral Livelihood Zone and half ration for the rest of the pastoral livelihood zones (due to insufficient food availability). New donations are anticipated but the shipments are not expected to arrive before the beginning of July. WFP is in immediate need of 207 mt of vegetable oil, 3,000 mt of cereals, 200mt of pulses and 150 mt of CSB to cover food needs for the estimated 80,000 person caseload over the next three months, before the next shipment arrives in Djibouti. United Nations agencies contributed US \$2.5 million from their emergency fund (CERF) for food, nutrition, water, sanitation, health care and agro-pastoral development interventions. The French Red Cross is also distributing water. A flash appeal is expected for Djibouti soon with assistance from OCHA.

The government is concerned that the increasing price of staple foods is negatively impacting the overall economy and is the primary cause of inflation (currently around 8.1 percent). As such, the government has decided to remove the tax from five major commodities including rice, wheat flour, cooking oil, sugar and milk powder. This doesn't apply to sorghum, sorghum flour, beans, and lentils mostly consumed by the poor households. The government also decided to create a price control institution that will be responsible for publishing and monitoring official weekly allowable selling prices of basic food commodities to avoid unnecessary price increases. The government is also subsidizing the purchase of petroleum for the electric facility to avoid increases in household electricity bills.

In another initiative to combat soaring international food prices, the Djibouti government, for the first time in history, is producing sorghum on a piece of land given to them by the Government of Sudan. They are now negotiating with the Ethiopian government for 5000 ha in Bali region to plant cereals, particularly wheat, intended to subsidize local bakers. The Government of Djibouti is looking to develop a strategic physical food stock reserve which could play a role in stabilizing prices. However, the cost of production and transport should be considered, as fuel costs are also on the rise.

As the gap between rich and poor is widening, a National Solidarity State Secretary has recently been created to implement the Presidential Initiative on Social Development. A total of about 6 million US dollars from the national budget has been set aside to develop employment generating activities, micro-credits, water availability improvements and enhance living standards of poor and vulnerable populations in both urban and rural areas.

Seasonal progress

March is the start of the Sougum/Diraa season (March to May rains). A strengthening of the weather system (rising sea surface temperature and cloud cover) gives rise to the *Heys/Dada* rains that lead to the development of the Sougum/Diraa that correspond with the *Belg* rains in neighboring Ethiopia. The Sougum/Diraa rains are of paramount importance for the recovery of inland pastoral livelihoods which normally experience a prolonged dry spell of six months (October to February). The coastal grazing areas are experiencing a prolonged dry season with no significant rain during the last 12 months and the onset of this seasons rains delayed by more than 6 weeks. Current field reports and satellite images (see figure 1) confirm that there were no rains for the whole of Djibouti territory in the month of March. The country normally receives between 20 to 80 mm for the month of March. Conditions are drier than normal in all pastoral livelihood zones.

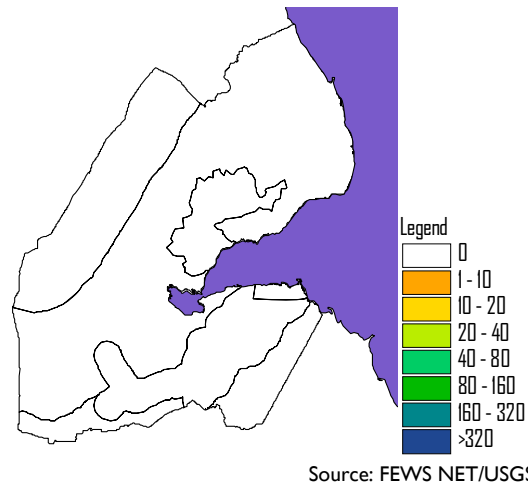
Water shortages are reaching very critical levels in many parts of the chronically water insecure areas, including water catchments dependant zones such as makarassoul, from the foothills of Moussa Ali Mountain down to Balho and Grand Bara areas. Obock district as a whole is relying on deep wells pumped by diesel generators. The situation is more critical in Ali-sabieh district and particularly in Geustir and Kabah Kabah. Dikhil district is the worst off in terms of water availability.

In Arta district water trucking has been intensified particularly in Hemed areas around lac Assal and throughout the roadside pastoral livelihood sub zone.

Pasture conditions are now deteriorating to critical levels with browse availability declining to nil. Livestock are currently concentrated along the Ouadi banks as the last coping strategy to save the remaining herds.

Prospects for the rest of the season are likely to be unfavorable in the livestock dependant coastal grazing areas and inland areas. If the current rains fail again the next rainy season for the coastal areas will not be until next October. There have been no significant changes in the seasonal rainfall forecast for the current season. The inland areas are expected to receive erratic rains which could decline as the season progresses.

Figure 2. Cumulative rainfall for March 2008 in mm



Markets, trade and food access

Since November 2007 the total cost of the expenditure basket for poor urban households has increased to levels beyond the affordability of vulnerable groups (Figure 3). A 2 percent increase again this month makes the upward trend 30 percent above the five year average. This is significantly affecting the purchasing power of both poor and middle households as income levels have not raised at the same rate.

Staple food prices increased 2 percent and are now 36 percent above the five year average. Sorghum has increased by 1 percent), cooking oil 9 percent and beans 21 percent. Cereals are becoming scarce as the government of Ethiopia continues to enforce the cereal export ban and wholesalers are now bringing the bulk of the sorghum from neighboring Somaliland. The harvest from Djibouti government-owned farms in Sudan is expected to stabilize the sorghum market in the short term. Cooking oil is currently 101 percent above the five year average and is currently absorbing 8 percent of staple food costs. The price of milk powder has increased 4 percent this month and is 43 percent above the five year average. Kerosene which has gone up 9 percent as compared to last month is now 151 percent above the five year average. Kerosene and cooking oil alone are absorbing 36 percent of the expenditure basket. The total expenditure basket is now approaching DJF 27.000 which is above the lowest paid salaries in urban areas. Low-income households are currently unable to cover school related expenses and health care costs and are now facing a food deficit. Adjustments are needed to raise the income of poor households to levels necessary to meet the high costs of living.

Figure 3. Cost of expenditure basket for poor households in Djibouti City (in '000 DJF per month)

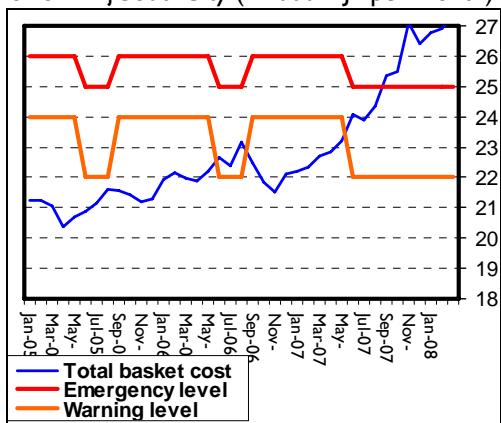


Figure 4. Rice (Belem) and cooking oil prices in Djibouti City (in DJF per kg)

