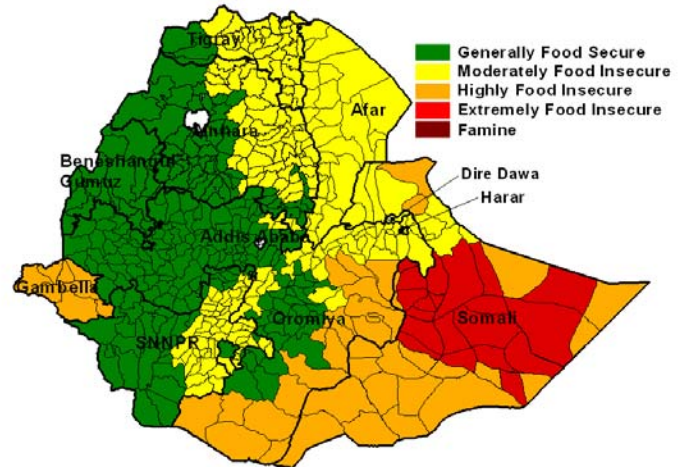


ETHIOPIA Food Security Update

January 2007

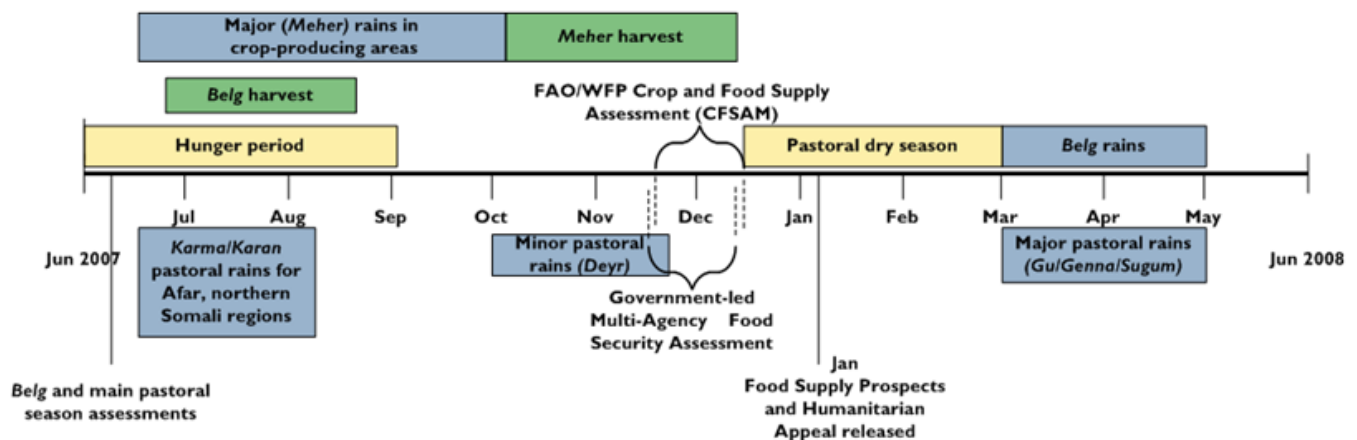
- Poor *deyr* (October to November 2007) rains have exacerbated the extreme food insecurity already present in parts of Somali Region as the dry *jilaal* season progresses and the peak hunger season sets in.
- Continued restrictions on movement and trade; locust infestations; and limited humanitarian access to Warder, Korahe, Fik, Degehabur and Gode zones; combined with drought in 2005/06, flooding in riverine areas in 2006 and 2007, conflict, human and livestock diseases, and record-high cereal prices, have severely limited people's resilience and resulted in extreme food insecurity in Somali Region.
- Despite record *meher*-season (June to October) production, about eight million chronically food insecure people and a significant number of acutely food insecure people (needs are being determined by DPPA) will require food or cash assistance in 2008.

Figure 1. Estimated current food security conditions: January to March 2008



Data source: FEWS NET and WFP/VAM
Graphics by FEWS NET, October 2007

Seasonal calendar and critical events



Record *meher* (main season) production in 2007/08

The Food and Agriculture Organization of the United Nations (FAO) and the United Nations World Food Programme (WFP) concluded a Crop and Food Supply Assessment Mission in January 2008. The mission estimated that this year's *meher* crop including both cereals and pulses is about 7 percent higher than last year and about 45 percent higher than the past five-year average (see Figure 2). This represents the fourth consecutive bumper *meher* harvest in Ethiopia. Yet, despite good overall production, pockets of poor production have been identified across the country as a result of weather-related hazards.

Meher-season production is one of the most important determinants of food security in Ethiopia, especially in the crop-producing areas of the country, which cover most of the country except the dominantly pastoral Afar and Somali regions and the lowlands of Oromiya Region.

Figure 2. Area ('000 Ha) and Production ('000 MT) of Cereals and Pulses, 2001/02 - 2007/08.

Year	Cereals		Pulses		Cereals and Pulses	
	Area	Production	Area	Production	Area	Production
2001/02	9,845	10,960	1,502	1,005	11,347	11,965
2002/03	9,502	8,157	1,515	767	11,017	8,924
2003/04	9,036	10,699	1,268	794	10,304	11,493
2004/05	9,234	13,751	1,408	1,299	10,642	15,050
2005/06	9,967	16,875	1,449	1,407	11,417	18,281
2006/07	10,459	18,264	1,690	1,833	12,149	20,094
2007/08	10,679	19,901	1,558	1,577	12,255	21,478

Sources: FAO/WFP Crop and Food Supply Assessments, including the 2005/06 *meher* data corrected during CFSAM 06

Food security remains critical in Somali Region

The food security of the pastoral and agropastoral populations of Somali Region is expected to deteriorate further as the current *jilaal* (or long dry) season progresses in February and March 2008. The normal hunger period for pastoralists in Somali Region occurs after the *deyr* (or minor) rains, which fall between October and December. The hunger season typically reaches its peak towards the end of the dry season in March.

This year, the *deyr* rains performed poorly across the seven zones including Afder, Liben, Gode, Warder, Korahe, Degahabur and Fik that depend on *deyr*-season precipitation for the regeneration of pasture, replenishment of water sources and also for crop production. In Gode, Warder, Korahe, Degahabur and Fik the situation is worse because the 2007 *gu* (or main) season which occurs between March and May performed poorly.

As a result, poor water availability and abnormal livestock migrations have already been reported in parts of Warder, Korahe and Dagahbur as well in parts of Fik, Gode, Afder and Liban zones. In all these areas, pasture is scarce. Milk production and livestock body conditions have also started to deteriorate. Reduced milk production will have a serious impact on child malnutrition.

Poor *deyr* rains have also resulted in crop failure for agropastoral populations and riverine populations who have lost up to 50 percent of their harvests. According to baseline data on livelihoods and household economies, agropastorals make up about 25 percent of the total population of Somali Region. Agropastoralists in the region get about 30 to 40 percent of their cereal production from the *deyr*-season harvest. Crop production is a major source of food for agropastoralists. For example, crop production from both the *deyr* and *gu* (main) seasons contributes about 60 percent of annual food requirement across all wealth groups in the Gode Agropastoral Livelihood Zone. Although the bulk of crops are produced

during the *gu* season, production from the *deyr* season is important, especially this year when cereal availability is limited and prices in markets are high.

Restrictions on trade and movement in Korahe, Fik, Degehabur, Gode and Warder zones that began in mid-June 2007 continue to affect the market access of pastoralists and agropastoralists who rely on the market to sell livestock and purchase cereals and other imported items such as rice, sugar and pasta. Although the movement of commercial food into restricted zones continues, especially in the main woreda towns, the supply of food is inadequate, especially in rural areas, and prices are beyond the purchasing power of most consumers.

Restrictions on trade and movement have also impacted income sources for poor households including labor and the sale of charcoal and firewood because demand has reduced. Further declines in the price of firewood and charcoal and demand for labor are anticipated as the dry season progresses. Restrictions on trade have also reduced the volumes of livestock sales out of the region to neighboring Arab countries, limiting incomes and affecting poor, middle and better-off pastoral and agropastoral households. Reduced incomes among better-off households have the knock-on effect of limiting their ability to provide poorer relatives and neighborhoods with food and other support, a traditional coping strategy in times of hardship.

The government and humanitarian partners have provided relief assistance for about 642,000 people to cover needs between October and December 2007 based on the recommendation of a United Nations mission that visited the restricted zones in August/September 2007. But, out of the total three months allocation for eight zones in the region, amounting 53,000 metric tons (MT), as of January 29, 2008, about 20,320 MT of relief food has been dispatched to the five priority zones, according to the United Nations Office for the Coordination of Humanitarian Assistance (OCHA). While the October and November food aid allocations have been dispatched to the region, December's allocation is still being dispatched. Moreover, even food that has been dispatched has not been fully distributed. So far only about 12,433 MT have reached food distribution points where only 75 percent has been distributed to beneficiaries.

Shortages of military escorts continue to slow down the deliveries of food aid to some of the affected areas. To address this problem, additional funds have been made available by WFP and the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) through the United Nations Central Emergency Revolving Fund (CERF) to improve the logistics capacity in the region. Interventions in non-food sectors such as water and sanitation as well as nutrition have also been initiated by some UN agencies and NGOs

A report issued by the Somali Region Disaster Prevention and Preparedness Bureau (DPPB) in December 2007 based results of a joint assessment indicates that about 745,000 people in the region cannot meet their minimum food needs and thus face a survival deficit. These people will require immediate food assistance for six months (January to June 2008). In addition, an estimated 842,000 people will need to sell productive assets or engage in distress coping mechanisms to meet their minimum food essentials. These households will need immediate support to protect their livelihoods and prevent destitution. The joint assessment also found that more than 400,000 people in the chronically water deficit areas of Korahe, Warder, Fik, Afder, Degahabur and Liben zones are facing water shortages. Final beneficiary figures for Somali Region are expected to be released by the federal Disaster Prevention and Preparedness Agency (DPPA) in February 2008.

The combination of restrictions on movement and trade and poor rains in 2007 compound the already significant food security impacts of drought in 2005/06, flooding in riverine areas in 2006 and 2007, conflict, human and livestock diseases, and record-high cereal prices. Restrictions on movement and trade need to be lifted completely so that pastoral and agropastoral populations have access to their normal markets to enable them sell their livestock and purchase food. The removal of these restrictions will also speed up the delivery of urgently needed relief and allow for improved targeting and monitoring. Revision of official beneficiary figures for both food and non-food assistance also needs to be completed quickly to take into account the recommendations of the *deyr* assessment mission.

Finally, West Emy and Barey woredas of Afder zone and Filtu and Moyale woredas of Liben zone, where the *deyr* rains have been poor, but where restrictions on movement and trade have not occurred, require close monitoring.

Food security conditions in Afar and pastoral areas of Oromiya regions require close monitoring

Most areas of the predominantly pastoral region of Afar, received normal main season rainfall between July and September. However, below average rains caused pasture and water shortages in most of the north and northeast. Although the physical condition of livestock is still good, scarcity of pasture and browse, poor animal health, poor livestock productivity as well as reduced fertility persist in the region due to previous droughts. The performance of the *sugum* rains (March to May) in 2008 will be critical for the replenishment of pasture and water. Poor performance of these rains could lead to rapid deterioration of the food security of pastoral and agropastoral populations in the region.

The lowlands of Borena and Guji zones of Oromiya Region depend on the *hageya* (September to November) rains for pasture regeneration and water replenishment. The 2007 *hageya* rains were much below normal in the lowlands of these zones. As a result, pasture regeneration and water replenishment were very poor. Scarcity of animal feed has been further worsened by swarms of desert locust that are now consuming the available green vegetation in the areas. Livestock movements began one month early from Dire, Dillo, Moyale, Me'o, Dhas, Haralo and Magado woredas to areas bordering Kenya where pasture and water availability is relatively better. Milk availability has declined due to reduced livestock productivity. An assessment in early January indicated that the situation has deteriorated further in these zones where water sources including cisterns and ponds have dried up, large scale distress migration is now occurring, some schools have closed, and school drop outs have increased.

According to CARE, signs of malnutrition are already being seen in these lowland areas specially in Miyo and Moyale woredas. Conditions are likely to deteriorate further as the dry season continues through March 2008 until the *genna* rains (March to May) provide some respite. However, if the *genna* rains are poor the food security situation could deteriorate very rapidly in mid-2008.

Market analysis: Unseasonal price movements and inflation

In most years cereal prices decline beginning in October when supplies from the main *meher* harvest start to enter the market. This period normally lasts until April and then prices start to pick up. This year, retail prices of cereals started to decline in October and November following the seasonal pattern (Figures 3 and 4). But, in December, prices were either similar to November or started to rise slowly. This is unusual at this time of year, especially given this year's bumper *meher* harvest.

Figure 3. Nominal retail prices of white maize in Mekele and Bahir Dar, December 2007

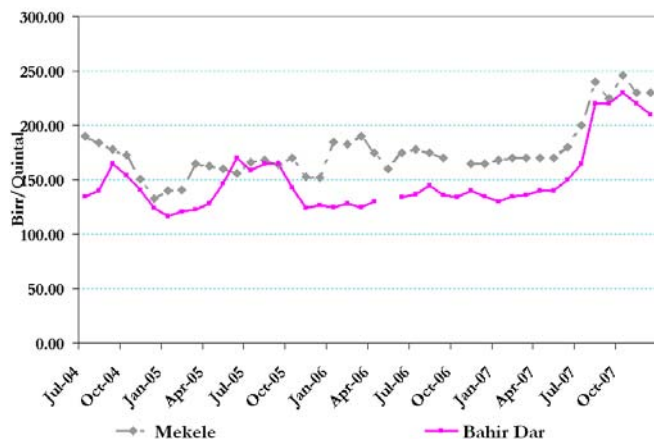
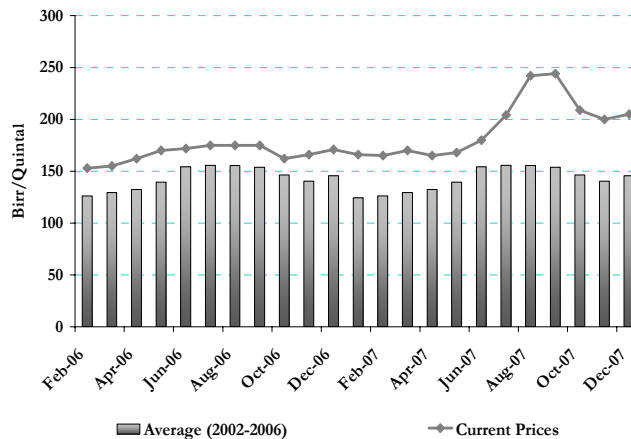


Figure 4. Nominal retail prices of white maize in Addis Ababa compared to the 2002-06 monthly average



Source: data archives of FEWS NET/Ethiopia, and Ethiopian Grain Trade Enterprise (EGTE). Graphics by FEWS NET/Ethiopia.
Notes: (1) Prices are expressed in Ethiopian birr per quintal. (2) One quintal = 100 kg; 1 Ethiopian birr ≈ 11 US cents.

The nominal retail price of white maize in Addis Abba was 40 percent higher this year compared to the 2002 to 2006 average, and 20 percent higher than the price at this time last year. Similar price movements were also observed in Mekele and Bahir Dar for white maize. The prices of other cereals followed similar patterns in Addis Ababa and other major markets.

These price increases largely reflect the overall rate of inflation over the same period. According to the Central Statistics Authority, the general consumer price index has increased by 68 percent (from 110.5 in July 2002 to 185.6 in July 2007). Overall, inflation is likely to continue and contribute to continued commodity price increases including cereal prices. In addition, rising fuel prices are contributing to rising commodity prices. On January 26th, fuel prices increased 24 percent from 7.77 Birr per litre to 9.61 Birr per litre. In addition to the increase in the prices of cereals and non-food essentials, prices of livestock and labor wages are also increasing rapidly.

Overall, the increase in the nominal prices of cereals is expected to have a serious negative impact on the food security of the poor, both in urban and rural areas, especially those with limited wage earning opportunities. According to USAID's 2008 Bellmon Analysis for Title II Monetization and Distribution Commodities for Ethiopia report, the poorest who spend the highest proportion of their income on food and those who are net purchasers of food, with limited employment opportunities have become increasingly unable to access food at escalating nominal prices. This group includes a significant number of rural Ethiopians who lack the capacity to produce adequate food to meet their needs and instead must earn enough income to buy food in order to survive. A study needs to be conducted on whether or not the incomes of the poor have grown proportionally to the increase in the overall rate of inflation, in order to be able to understand the real impact of the increased nominal prices of cereals and to provide the appropriate response to address the needs of the poor households whose food security is jeopardized due to the inflation.