



Monthly Food Security Report for Somalia



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Food Security Assessment Unit

This report is a joint publication of FSAU/FAO and FEWS NET (USAID Famine Early Warning System) for Somalia.

EDITORIAL

The Monthly Report highlights the unfolding factors impacting on household food security. However, the mid to longer-term analysis can be more difficult to assess.

In brief, the north and central parts of the country continue to suffer from the impact of the lost livestock exports and inflation. Interventions to ease this are not expected to have an immediate impact. Meanwhile the cost of coping has been high and will slow down hopes to strengthen the economy and the move to longer-term development goals.

In the southern part of the country, where the livestock 'ban' has had negligible impact and economic activity has been assisted through good local cereal production and better terms of trade, the main constraint to longer-term agricultural investment continues to be economic uncertainty. In the short term, this uncertainty may impact on the *Gu* season planting. Farmers will be questioning the additional risk of lower producer prices against increased production costs. These are resulting from high fuel costs for tractor tillage and pump irrigation. Increased transport costs will add to these problems.

The arrival of the *monsoon* season tends to slow down port activity effecting labour opportunities for the urban poor in places such as Mogadishu, Kismayo, Bossaso and Berbera. Bossaso for example has already suffered considerably from the loss of small ruminant exports. In addition, many business people move out of the port during this hotter period as trade takes a downturn with less sea traffic during the *monsoon* season. The *Gu* season has brought some relief but nutritional monitoring is expected to highlight the compounding stress more vulnerable groups will continue to be facing. These groups will be IDPs, the urban poor and also now include members of poorer pastoral households attempting to find urban employment. The next main harvest is still 3-4 months away.

Food Security Highlights

- **CLIMATE AND VEGETATION OUTLOOK:** The 2001 *Gu* rainy season started slowly at the beginning of April which is critical for the recovery of many of Somali's food insecure populations. However, good rains were falling in Bakol, Bay and Hiran during the second dekad of April. Most farmers in the southern parts of Somalia have already planted. Pasture conditions remain good in most parts of the country. Most water catchments, *berkads* and *ballis* were filled, though parts of Sanag, Sool and Togdheer had below normal rains. There is a recovery of vegetation in most parts of the country.
- **WATER SHORTAGES:** Late *Gu* rains led to water shortages and increased water trucking in the North-East and North-West particularly in Sanag, Bari, Sool, N-Nugal and S-Bari forcing some pastoralists to take out loans to pay for water. In the North West area of Adwal some of the poor agro-pastoralists cattle in coastal areas perished due to lack of pasture and water.
- **INCREASED FUEL COSTS:** Higher fuel prices are affecting mechanized farmers, mostly in riverine Food Economy Zones (FEZ) and High Potential Food Economy Zones (FEZ). Transportation costs have also risen.
- **SHIFTING TERMS OF TRADE:** The effects of the Livestock ban and inflation are weakening the purchasing power of both Livestock owners and urban populations. (See Page 2.)
- **DEVALUATION:** The inflation rate is at its highest point since the early 90's. Markets and consumers are experiencing extreme financial instability as newly printed Somali shillings continue to enter the market. Combined with the livestock ban, the following groups are badly affected : small traders, livestock traders, casual labourers, IDP's and government employees; poor pastoralists are also experiencing hardship.
- **EMPLOYMENT:** Job opportunities are scarce and growing rates of unemployment are reported throughout Somalia.

Nutrition Update — Survey Results

In recent weeks, a number of interesting nutrition survey reports have been released in Somalia and in neighbouring areas of Kenya.

A survey undertaken by World Vision* in January in M. Juba showed a global acute malnutrition rate of 8.4 % ** a significant improvement from the previous survey in July 2000 which showed a rate of 14.7 %.

In Jamame district of L. Juba, preliminary results of the UNICEF* nutrition survey indicate prevalence values of 14.3 % global acute malnutrition including 2.3 % severe acute malnutrition. The survey examined food security, health and child-care issues.

Two surveys have been undertaken in areas of Kenya that border Somalia. One of these, in El Wak division of Mandera indicated a high global malnutrition rate of 28.1 % which

is especially worrying as it borders an area in Gedo region on which little information is available due to lack of partners and insecurity. The rate for Wajir district at 17.2 % was just slightly over the recent average in South and Central Somalia. UNICEF plans to undertake nutrition surveys in both Puntland and Somaliland.

A detailed interpretation of the results of all surveys along with recommendations for interventions will be presented in the 'Nutrition Update' later this month.

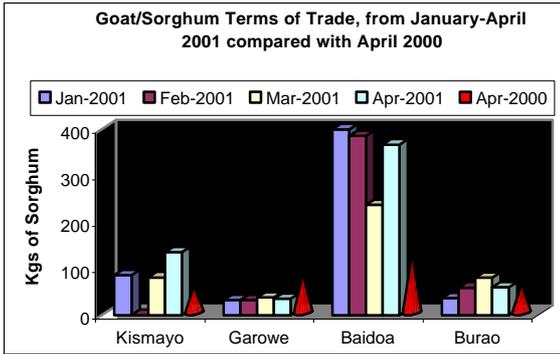
*Survey supported by FSAU.

**Global acute malnutrition: W/H<-2Z-scores & oedema. Severe acute malnutrition: W/H<-3 Z-scores & oedema.

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TERMS OF TRADE* - ECONOMY SUFFERS AS LIVESTOCK BAN CONTINUES

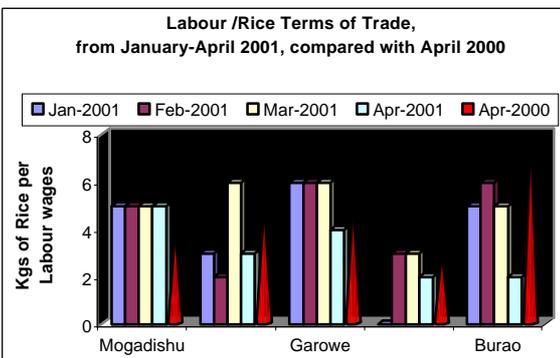
*TT



for example, goat prices rose from Ssh 135,000/head to Ssh 293,000/head from March to April. Note that interpretation of livestock prices in Somalia can be very difficult as prices do not always reflect demand-supply characteristics—prices may remain fixed even if supply increases, but with the 'additional' animals not being bought.

TT between goats and sorghum are indicative of the purchasing power of livestock owners. The inserted graph illustrates the north-south economic divide that is currently affecting Somalia. In southern markets, represented here by Kismayo and Baidoa, goat-sorghum, TT are far better this year than the same period last year. This is due both to the relatively low price of sorghum following good harvests and the relatively good price of livestock, due to good local demand, good condition and good demand from Kenya (southern Somalia is not seriously effected by the livestock ban). In contrast, goat-sorghum TT in Garowe and Burao are poorer or very similar to the same time last year. This is due primarily to low livestock prices as a result of the ban. Although in contrast to the general trend this year, the price of sorghum fell in Baidoa market from March to April, prices were still 60 % lower than April last year. Goat prices in Kismayo, Huddur and Baidoa have risen by 117 %, 47 % and 19 % respectively, compared to last month, and in general are higher this year than last. In Kismayo

INFLATION WEAKENS URBAN PRUCHASING POWER



This section considers TT between unskilled labour and rice, a relationship representative of urban populations' purchasing power in Somalia.

The inserted graph shows a fairly clear difference in the purchasing power of labourers in southern Somalia vis-à-vis northern/central regions. Comparing April

2001 with April 2000, for the markets represented, TT for southerners is better this year than the same time last year, whereas the opposite is the case for the northern/central markets. This can be explained largely by three factors:

- (1) Livestock ban
- (2) Inflation
- (3) Local crop production.

Northern and central regions, reliant on the now banned livestock trade with Gulf countries, have seen (imported) rice prices rise significantly as a result of the currency depreciation (lack of US Dollars due to the livestock ban) and have seen a slowing of economic activities (again due to the ban). Therefore, not only is the value of labour less in terms of rice, but also labour opportunities are less due to the 'recession'.

In southern regions, in contrast, TT

are better than last year. This is mainly due to the good local production which exerts a downward price effect on rice. In addition the major economic activities of the south are not seriously affected by the ban therefore job opportunities should be similar to last year. The difference is most striking in Burao market where 1 day's labour could buy nearly 8 kgs of rice 12 months ago, but only buys about 2 kgs today.

Over time workers may demand higher wages to 'catch up' with rising commodity prices. However, given the current sluggish economic conditions, particularly in northern regions, business activities are in fact reducing and unskilled wages are unlikely to rise. There is plenty of cash in the market but few job opportunities to earn the money. High and growing rates of unemployment are reported throughout Somalia.

HIGH INFLATION CAUSES SURGE IN COMMODITY PRICES

Markets and consumers using Somali shillings are experiencing extreme financial instability, as newly printed Somali shillings continue to enter the market. Field reports (ACF) indicate that in Mogadishu some retailers accept only old Somali shillings, some only new Somali shillings and some only US Dollars. Demonstrations and temporary closing of businesses have also been reported. In April, about 4 million USD of Somali shillings were imported in to Somalia.

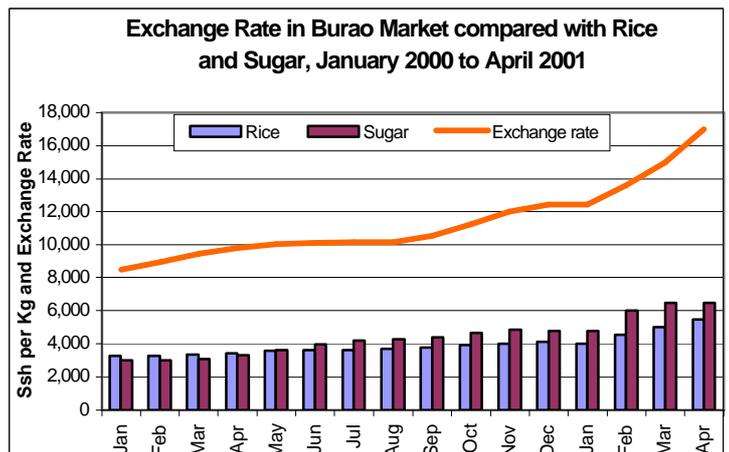
Reports from Mogadishu's main Bakara market indicate that the Shilling depreciated from Ssh 14,000 / USD in March to Ssh 20,000 / USD in April.

The depreciation of the Somali shilling affects food prices in different ways.

Firstly, as the graph indicates, the market prices of imported commodities, such as sugar, rice, wheat, flour and vegetable oil follows a similar upward trend to the exchange rate. In Burao market, since January, rice and sugar prices increased with the depreciation of Somali shilling. 1 kilogram of rice which cost Ssh 4,000 in January, cost Ssh 5,500 in April, representing an increase of 38 %. Similarly, sugar prices have risen by 35 % from Ssh 4,800 / kg in January to Ssh 6,500 / kg in April, while the average exchange rate increased by 37 %, from Ssh 12,400 / USD in January to Ssh 17,000 / USD in April. The same trends were observed in other markets.

The inserted graph shows that price inflation is much higher compared to the same period last year. Secondly, the price of domestic food staple is also affected but less strongly. Domestic

food prices are more affected by local and regional production and supply. However many poorer urban consumers have switched from expensive imported foods to cheaper domestic foods in order to save money. Many retailers claimed that their sales volume of imported commodities has been cut and have increased trade in local commodities. However, larger traders, especially those money dealers that had intended to import food, but failed, due to the lack of hard currency have instead invested in the newly printed local money.



FOOD AID DISTRIBUTION

Income opportunities in transport services emerged in Northwest regions as a result of delivery of food aid to Ethiopia via Berbera port in April.

WFP in March distributed a total of 1,721 MT. Of these 915 MT (53 % of the total) was distributed to the southern regions, which are Bay, Bakol, Lower and Middle Shabelle, Lower and Middle Juba, all in the form of rehabilitation and social support. 660 MT (38 %) was distributed

to the Northwest, of this, 538 MT was in the form of relief and the rest in the form of rehabilitation and social support. 146 MT (9 %) were distributed to the Northeast, of which 55 MT were in the form of relief food and the rest was rehabilitation and social support.

CARE in April distributed 320 MT all the form of food for work in Mahas, Jalalaqsi, Belet Weyne, and Aden Yabal districts, in Hiran region.

HEALTH

The annual cholera outbreak in southern Somalia has generated fewer cases than average. Since the beginning of 2001, a total of 881 cases and 71 deaths have been recorded - an overall Case Fatality Rate (CFR) of 8.1 %. In Mogadishu 397 cases and 4 deaths (CFR 1 %) have been reported. In Qansadhere District IMC reported 16 deaths from 40 admissions (CFR 40 %) while in Merca and Qoryoley in L. Shabelle 24 cases were reported. An outbreak of rabies has been reported in Mogadishu. WHO has developed treatment guidelines and provided vaccines and other supplies for use in Medina and Kesanyi Hospitals. An outbreak of dysentery in the Garbaharey/Burdhubo areas of Gedo region – probably *Shigella* – is now under control. No significant changes in other key pathologies, including *kala azar*, measles and malaria reported this month.

REGIONAL FOOD SECURITY HIGHLIGHTS AS REPORTED BY FSAU FIELD MONITORS >> P. 4

NW AND AWDAL

The food security situation in the area worsened due to the continuation of the livestock ban, further devaluation of the Somaliland shilling (disrupting trade activities in the main markets) reduced purchasing power and the delayed onset of the *Gu* rains (arriving in the 2nd dekad of April). The high inflation rates made it difficult for some farmers to access credit so were unable to hire tractors for land preparation and cultivation. Some of the poor agro-pastoralists cattle in the coastal areas perished due to lack of pasture and water. The better off agro-pastoralists fed their cattle on cereal grains and dry stalks in order for the cattle to survive. Among the pastoralists there was a reported increase in deaths among the weaker shoats. The availability of cheap local and relief cereals, remittances and income generated from transporting food aid to Ethiopia via Berbera port (which resumed at the end of April) has helped to partially alleviate the situation. The *Gu* rains have encouraged pasture regeneration especially to the west of Hargeisa and the *Hawd* plateaus.

SOOL

Serious water shortages developed early in April in key livestock grazing areas in Buhoodle district and the Sool plateaux. Low purchasing power, as a result of the ban, made it extremely expensive to bring water from other areas. The full costs of these late rains in terms of asset depletion or increased debt levels have not yet been assessed. Good rains were finally received in the first dekad of May in the driest areas, though not yet in Las Anod district. Further rains are required to fully replenish water and pasture levels. Unusual livestock migrations are expected in order to find the best water and pasture conditions.

SANAG AND TOGDHEER

In these two regions *Gu* rains are very late with the exception of the mountainous areas (e.g. Sheikh, Erigavo). As a result expensive water trucking has been taking place, particularly in the *Hawd*. Water trucking is not unusual at this time but with purchasing power much reduced due to the ban and inflation, the costs to the household are much greater than normal. Credit availability is reported to be limited. Parts of the *Hawd* and El-Afwein district have been dry for the last nine months. Large scale animal movements are also taking place to areas that have received rain. Shoats and cattle are in poor condition. Poor urban, pastoral and agro-pastoral groups are spending 70-80 % of their income on food and many are relying predominantly on assistance from better-off relatives. Demonstrations have taken place against the influx of new currency. Over 300 MT of food aid has been distributed by WFP in the two regions. No human deaths were caused by hunger in Sanaag as reported by some sources.

S-NUGAL AND N-MUDUG

The *Gu* rains started late, during the last dekad of April. The rains were less intensive in the Goldoob district and were more intensive in the central Burtinle district. The potential positive impact of the *Gu* rains is being undermined by the high inflation rates (the highest since the civil war broke out) due to the devaluation of the Somalia shilling, and combined with the seasonal closure of the port is resulting in reduced availability and more expensive imported cereal. As less local cereal is available local cereal prices have also risen. Some of the middle wealth group have started consuming cheaper but less favoured cereals such as sorghum and maize. The urban poor who depend on casual labour have been badly affected by the high inflation because the daily rate for casual labour has remained the same but food prices have risen. The conditions are improving for the pastoralists due to increased water and pasture availability resulting in improved livestock condition and production. Remittances have tripled and have become an important source of income for many of the people.

BARI

The urban poor and IDPs in Bosasso are struggling to maintain a viable existence in the continuation of the ban and inflation. Little *Gu* rain has been received except for a few pockets in Kandala district. Increasing water shortages and increased water trucking has taken place. Prices of water has doubled, partly due to fuel costs, the worst areas being Dharjale, Dawaley, Dirikle, Taager, Washington, Hubabeys, Meygaag and Dhudhub. Urban markets have been closed by mass demonstrations, as food prices rise due to inflation. Small retail businesses have been closing down. IDPs, urban poor and poor pastoralists are the worst affected. Livestock prices have risen due to the shortage of good quality animals in the *Jilaal*. Animals from Zone V, Ethiopia and Karkaar areas are the only ones fetching these higher prices in Bosasso. Prices of imported and local cereals rose by 35-50 % and 35-40 % respectively, compared to last month. Prices of non-food items also went up. Employment opportunities remain the same as last month, but the number of wage seekers is very high. However, the unskilled labour wage rate has slightly increased. Goat reproduction is very high in Bosasso district, but pastoralists are slaughtering newly delivered kids to save the mother. Those communities able to engage in fishing and frankincense collection have a critical alternative source of income.

N-NUGAL AND S-BARI

From early April, expensive water trucking began in many areas, as a result of the delayed *Gu* rains, exacerbating the detrimental impact of the livestock ban and the very high inflation rates. Low income levels and purchasing power as a result of the ban and inflation has forced many pastoralists to exploit social redistribution mechanisms and loans to pay for water. The result is that many pastoralists have now taken on significant debt obligations. On the 23rd April good rains fell in large area of the *Hawd* and Northern Sool plateaux – indications are that most *berkads* in the *Hawd* are refilled. Gardo district, previously highlighted as facing water problems still has had no rains. All *berkads* in Gardo are still empty. As a result of the inflation and the economic slowdown due to the ban all of the following groups are facing increasing difficulties in meeting their basic needs: petty traders, government employees, casual labourers, livestock traders and associated transporters. In the same general category are, poor pastoralists with small ruminants only, small herdsizes and poor social connections. Prices of all basic commodities have risen by 10 to 30 %.

>> P. 3 REGIONAL FOOD SECURITY HIGHLIGHTS AS REPORTED BY FSAU FIELD MONITORS

GEDO

The *Gu* rains started during the 2nd week of April. Generally, the southern parts of the region have had average rainfall and the northern parts of the region have had poor rainfall. Seeds prices have increased especially in the northern areas resulting in less seed being purchased which may have implications for cereal availability during the future harvest. The Juba and Dawa river have risen allowing for irrigation opportunities. As pasture and water availability improved in the area, livestock condition and production also improved. Imported and local food prices increased during the last month by between 40-60 % and 10-30 % respectively, due to the continued devaluation of the Somalia shilling. This rise in prices of essential food commodities has had a negative impact on all food economy groups but in particular the urban poor and the IDPs in urban areas. Conflicts in the northern parts of the district have resulted in some of the urban inhabitants moving to Mandera in Kenya or Bardera and El Wak areas.

JUBA VALLEY

Cereal stocks have been depleted due to the poor harvest in the past *Deyr* and *Gu*. In Middle and Lower Juba regions, the poor are now particularly vulnerable and some of the agro-pastoralist groups in Hagar, Salagle, Buale and Afmadow. However, water and pasture availability has got better, improving livestock condition, crop production and marketing opportunities. The urban poor are also at risk due to inflation and limited employment opportunities. The devaluation of the Somalia shilling has meant all groups have been exposed to higher local and import prices. Local food prices have also increased because of a rise in transport costs due to the increased cost of fuel. Poor transport due to bad road conditions during the recent rains has also pushed up transportation costs. Food insecurity is being affected by economic instability particularly as it limits income opportunities and difficulties accessing seeds during the crucial planting season. Close monitoring will continue.

LOWER SHABELLE

Prices for local and imported foods continue to rise as a result of the devaluation of the Somalia shilling as well as traders hoarding cereal in anticipation of further cereal price increases (e.g. milk increased by 22 % and imported food prices increased by 10 – 17 % during the last month). At the same time, labour rates remain the same reducing the purchasing power of many of the poorer households. The *Gu* rains were good in the last dekad of the month and have improved the water situation. The pastures will take more time and rain to improve. The livestock condition and production will improve once the pasture availability increases. Due to the devaluation of the Somalia shilling increased livestock is being sold to the Kenyan market. Livestock prices have risen but because of the devaluation of the Somalia shilling the prices are relatively cheap compared to the local Kenya livestock market. However, as cereal prices have also increased the purchasing power for the livestock owners has not improved greatly.

BAKOL

As opposed to last month, *Gu* rains are now good and distributed throughout most of the region. Over all the condition of livestock is normal and pasture and grazing conditions are satisfactory. Most water catchments are now full. Livestock-sorghum TT for herders are good (1 goat can be exchanged for 50 kgs Sorghum). A large area of the sorghum belt has already germinated. Devaluation of the Somali shilling has meant the cost of livestock and livestock products remain high. It has also led to a degree of vulnerability amongst the urban poor whose cash savings have been reduced. However, locally produced foods are not yet affected by the devaluation. With regard to health, the first phase of the polio eradication campaign 2001 has been completed. Over all food security situation is stable and the security situation is good.

BAY

There have been light rains across some districts. Planting began before the rain arrived and is ongoing, which will improve income for poor and very poor households. The price of imported food, especially sugar and fuel remain high due to devaluation but staples such as sorghum, maize and cowpeas remain steady. The condition of livestock has improved and there has been normal seasonal movement from fields to open range lands. Cereal prices have dropped which has made livestock owners better off than local farmers. In TT 1 l of milk is equal to 3.5 kgs of sorghum. No new outbreak of livestock disease has been reported. The demand for meat at Karisa and Mogadishu markets has been good, although the price of livestock drugs has increased. Urban food economy groups have found their purchasing power decreasing with devaluation. Nutrition is normal because of the availability of staple foods. Following the onset of rains, a number of stomach problems were reported but the situation is now normal.

HIRAN

In the third week of April heavy rains fell throughout the region, where previous rainfall levels had been poor. More rains are expected through early May. The prolonged *Jilaal* season however has seriously affected agro-pastoralists and pastoralists whose pasture and grazing has been depleted and who have had to rely on buying crop residues or stalk to feed animals. Livestock condition, (other than camels) is generally poor. Newly born calves have been slaughtered because cows are unable to produce milk. However, no outbreak of livestock disease was reported. The amount of crops planted was below normal due to low water levels and the high cost of fuel, making irrigation of cereal crops expensive. Late rains may increase cropped area. Cereal, pulses and sesame prices remained steady while commodities and livestock prices have risen due to the influx of Somali bank notes. This has affected the food security of urban poor households in particular whose income from employment or self-employment do not cover daily requirements.

COWPEA BELT

During the beginning of the month water and pasture availability was scarce (reducing livestock condition and production) and water prices for livestock and humans increased. However, the scattered rains in the central region from the middle of the month onwards have helped to improve this situation and increased agricultural activities have been observed. Areas that remain vulnerable are south east of Galkayo, Addun area, and pockets along the coastal line. Imported and local food prices continue to rise due to the continued importation of the Somalia shilling. This in addition to the livestock ban is causing many of the poor and middle agro-pastoral community in the above mentioned vulnerable areas to have reduced purchasing power for essential commodities. Reduced purchasing power is also reflected in fewer people accessing fee paying health services.

MIDDLE SHABELLE

The *Gu* rains started across the region during the last week of the month, the distribution was scattered and the intensity varied from area to area. The water catchment areas are not fully charged and flood irrigation is still not possible but water availability for humans and livestock has improved. The rains improved pasture and water conditions which will improve livestock production. Planting activities started in the irrigated and the rain fed areas. Because of the increase in fuel prices many of the small scale farmers have been unable to afford the hire of tractors for planting. As most planting was done by hand less acreage has been planted which has implications for cereal availability in the future. Local and imported food prices have increased which has affected all food economy groups and most peoples purchasing power has been reduced especially in the urban and riverine areas. Fortunately most households still have some cereal stocks from the previous harvests. Cowpea and maize supply has decreased, pushing up the prices. Imported commodities have increased due to devaluation of the Somalia shilling.