



Nepal Food Security Bulletin

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नेपाल खाद्य सुरक्षा अनुगमन प्रणाली
Nepal Khadhyo Surakshya Anugaman Pranali (NeKSAP)
Nepal Food Security Monitoring System

HIGHLIGHTS AND SITUATION SUMMARY

This issue covers the period of mid-November 2014 to mid-March 2015, the second trimester of Nepalese Fiscal Year 2071/72. This bulletin is based primarily on the outcomes of NeKSAP district food security network (DFSN) meetings held in 74 of 75 districts and the results of the NeKSAP household survey, a nationally representative sample survey, collected between February-March 2015. As such, this bulletin provides a comprehensive snapshot of the food security situation across Nepal before the earthquake in April. In this period:

- **Most parts of the country were classified as minimally food insecure (Phase I)**, a situation where most households can secure food and non-food needs without changing livelihood strategies.
- **DFSNs classified 8 Village Development Committees (VDCs) in 2 districts in the mid-western region as highly food insecure (Phase III):** 6 VDCs in Surkhet, with an estimated 5,819 affected households (25,167 people), because of the continued impact of last year's floods; and 2 VDCs in Mugu, with an estimated 1,028 affected households (5,983 people), because of the high loss of summer crops from hailstones.
- DFSNs classified an additional **167 VDCs in 11 districts as moderately food insecure (Phase II)**.
- **Daily wages, sale of agricultural products (including livestock), and remittances were major income sources** that contributed to improved household food security, with their share in household income at 28, 25 and 20 percent respectively.
- Currently, **average household cereal stock was 414 kg, which provides 5.2 months of staple food sufficiency for an average household**. Harvesting of winter crops will start from March/April (*Falgun*) in most areas.
- According to the NeKSAP household survey, **87 percent of households had adequate food consumption**. Since the last period, overall, household food consumption and dietary diversity have improved.
- According to Nepal Rastra Bank, **the year-on-year Consumer Price Index (CPI) was 7.0 percent in March 2015** compared to 8.9 percent in the corresponding period last year. The cereal grain sub-group was 7.8 percent compared to 11.7 percent in the corresponding period last year.

CURRENT FOOD SECURITY SITUATION AND OUTLOOK

Food Security Cluster	Current period: mid-Nov 2014 to mid-Mar 2015	Change from mid-July to mid-Nov 2014	Outlook for mid-Mar to mid-July 2015
Karnali		↓	↑
Far-Western Hill and Mountain		↓	↑
Rapti-Bheri Hills		→	↑
Western Terai		→	→
Central & Eastern Terai		↑	→
Western Hill and Mountain		→	→
Central Hill and Mountain		→	↓
Eastern Hill and Mountain		→	↓

- Minimally Food Insecure
- Moderately Food Insecure
- Highly Food Insecure
- Severely Food Insecure
- Humanitarian Emergency

Change / Outlook

- ↓ Deteriorate
- Stay the same
- ↑ Improve

Compared to the last four-month period (mid-July to mid-November 2014) the current food security situation has improved in the eastern region, particularly in Siraha and Saptari. The situation, however, has deteriorated in the far-western hills and mountains. The situation remained similar in the mid-western region with some spatial changes in food insecure areas. The western and central regions continue to experience a stable food security situation with all VDCs classified as minimally food insecure (Phase I).

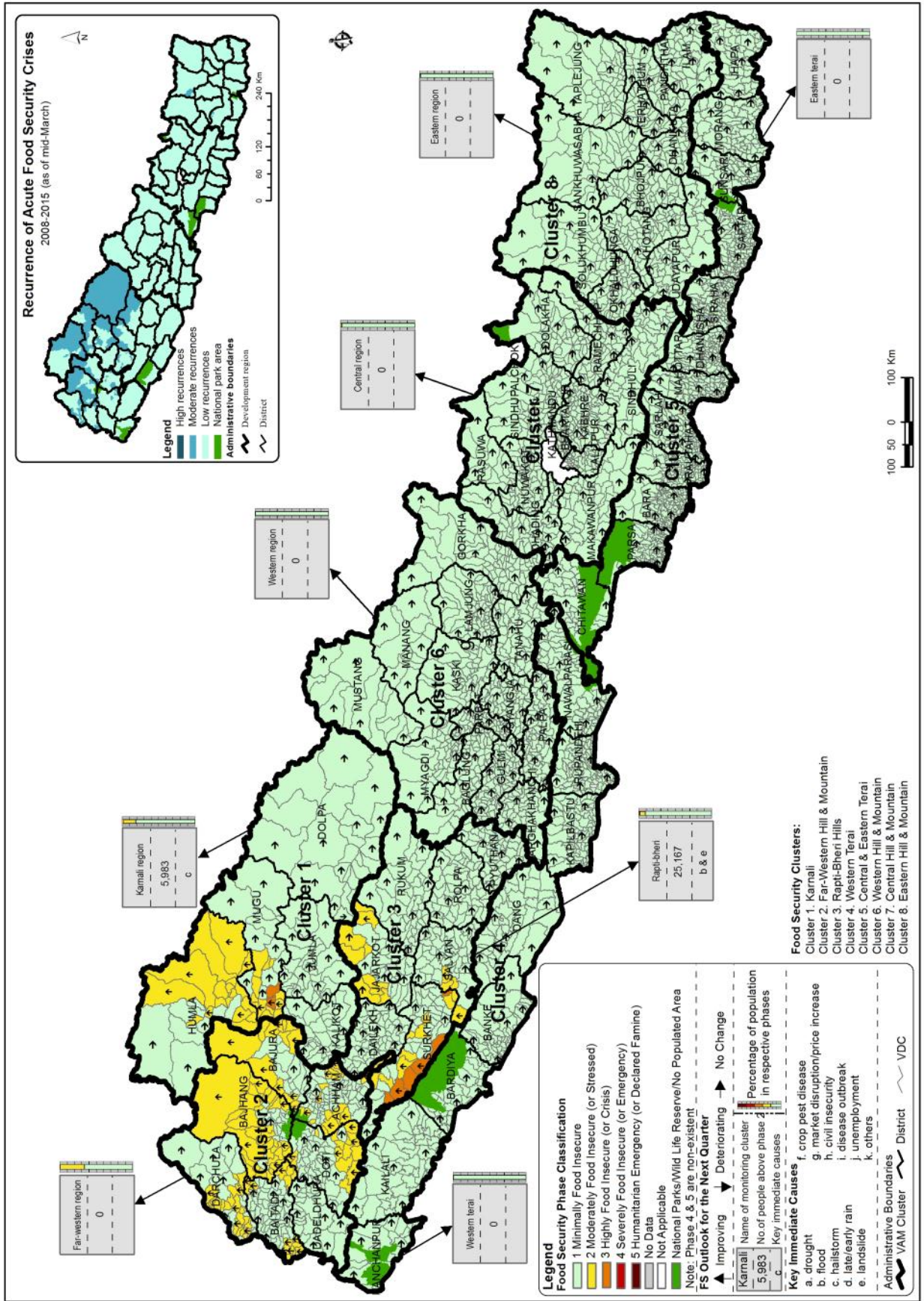
DFSNs classified 6 VDCs in Surkhet, namely Taranga, Lekhpurajul, Hariharpur, Tatopani, Ghatgaon and Dharapani, and 2 VDCs in Mugu, namely Seri and Srikot, as highly food insecure (Phase III). DFSNs classified an additional 167 VDCs in 11 districts as moderately food insecure (Phase II). All other VDCs were classified as minimally food insecure (Phase I).

For the next four-month period (mid-March to mid-July 2015), DFSNs have forecasted that 74 VDCs (6 in Sindhupalchok, 8 in Taplejung, 8 in Panchthar, 23 in Khotang, 11 in Udayapur, 3 in Dolpa, 2 in Mugu, 7 in Jajarkot and 6 in Surkhet) will be classified as moderately food insecure (Phase II) or worse.

The Nepal Food Security Bulletin is jointly produced by the Ministry of Agricultural Development (MoAD) Food Security Monitoring Unit and the World Food Programme (WFP) Food Security Monitoring and Analysis Unit.



Map 1: Food Security Phase Classification Map, mid-November 2014 to mid-March 2015
 Source: NeKSAP District Food Security Networks (DFSNs)



Food security maps are available at the NeKSAP website: www.neksap.org.np/food-security-phase-classification-maps



Incidence of food insecurity

In this reporting period district food security networks (DFSN) classified **6 Village Development Committees (VDCs) in Surkhet**, namely Taranga, Lekhparajul, Hariharpur, Tatopani, Ghatgaon and Dharapani, and **2 VDCs in Mugu**, namely Seri and Srikot, as **highly food insecure (Phase III)**. In the 6 VDCs in Surkhet, where there were an estimated 5,819 affected households (25,167 people), most of whom are still living in temporary shelters and relying on wage labor for subsistence, the situation was attributed to the continued impact of last year's flood that severely damaged household assets and summer crops. In the 2 VDCs in Mugu, where there were an estimated 1,028 affected households (5,983 people), the situation was attributed to the high loss of summer crops (40-50 percent) from hailstones.

DFSNs classified an additional **167 VDCs in 11 districts as moderately food insecure (Phase II)**. The number of moderately food insecure VDCs by district is as follows: **Mugu (12), Humla (18), Surkhet (9), Salyan (4), Jajarkot (9), Bajura (14), Bajhang (30), Doti (14), Achham (18), Baitadi (14) and Darchula (25)**. DFSNs classified the rest of the country as minimally food insecure (Phase 1). See **Map 1** for the geographic distribution of these areas.

Compared to the last four-month period (mid-July to mid-November 2014) the current food security situation has improved in the eastern region, particularly in Siraha and Saptari. The situation, however, has deteriorated in the far-western hills and mountains. The situation remained similar in the mid-western region with some spatial changes in food insecure areas. The western and central regions continue to experience a stable food security situation with all VDCs classified as minimally food insecure (Phase I).

Household food consumption

Figure 1 presents the findings of the NeKSAP household survey on the adequacy of food consumption (as measured by the food consumption score) by round of data collection. In November 2014–March 2015, 13 percent of surveyed households consumed inadequate food, which is an improvement over the July–November 2014 period when 14.2 percent of households had inadequate food consumption. Further analysis by ecological belt shows a relatively larger proportion of households in the Mountains (21.7 percent) had inadequate food consumption compared to the national average (13 percent), Hills (12.3 percent) and Terai (12.2 percent).

Figure 2 presents the change in dietary diversity (as measured by the dietary diversity score) by ecological belt and round of data collection. In July–November 2014, the mean number of food groups consumed by households over the past 7 days was 5.32 compared to 5.2 in March–July 2014. During this reporting period dietary diversity did not vary greatly by ecological belt, although the Hills had the highest score (5.43) compared to the Terai (5.28) and Mountains (4.93).

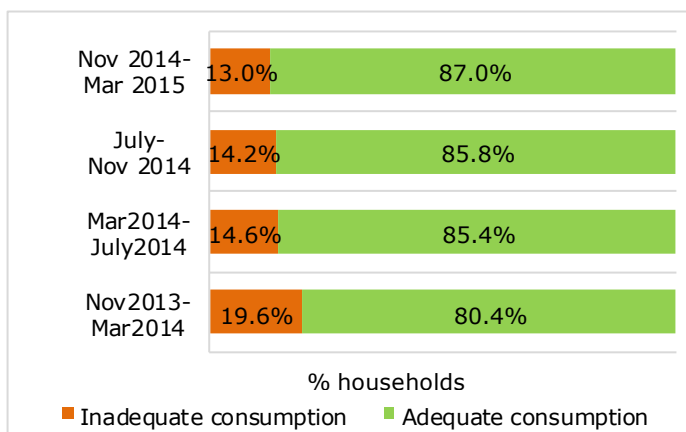


Figure 1: Household food consumption by round of data collection (Source: NeKSAP household survey)

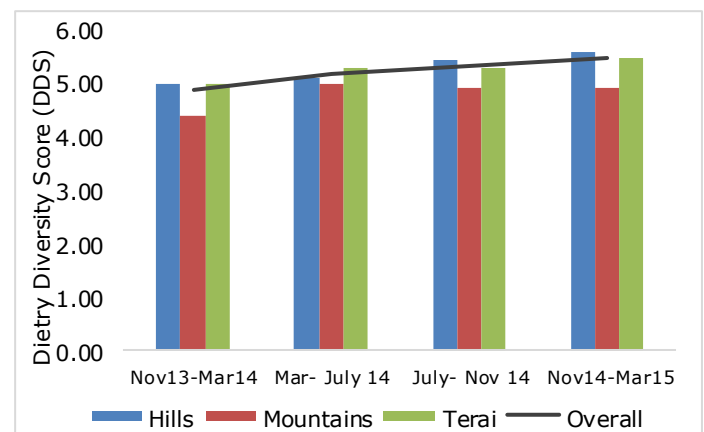


Figure 2: Household dietary diversity score by round of data collection and ecological belt (Source: NeKSAP household survey)

Livelihoods

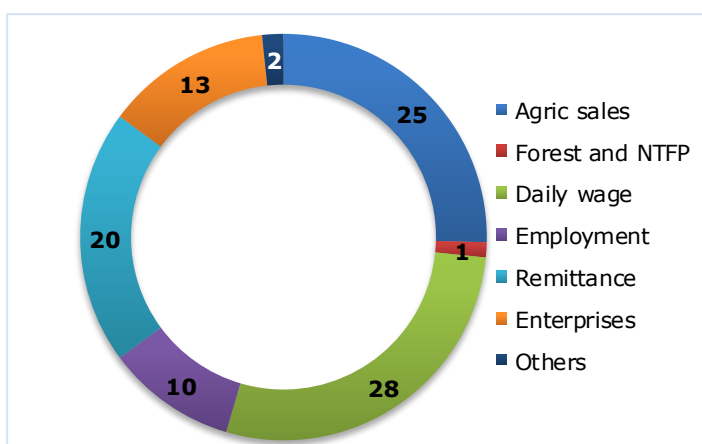


Figure 3: Share of household income by source, Nov 2014–Mar 2015 (Source: NeKSAP household survey)

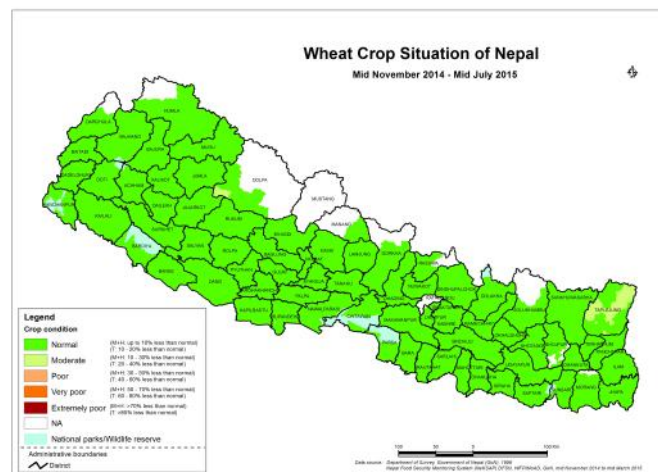
According to DFSNs, during this period, most households across Nepal followed traditional livelihood strategies, with the exception of those in highly and moderately food insecure VDCs, where households are reported to have adopted traditional coping strategies and/or are relying on external support for food and non-food needs.

Figure 3 shows the share of household income by source from the NeKSAP household survey. Daily wages, sale of agricultural products (including livestock) and remittances accounted for the largest share of household income at 28, 25, and 20 percent respectively. The NeKSAP household survey also found that, compared to mid-July to mid-November 2014, the share of agriculture in household income decreased (by 5 percent) while that of enterprises, daily wages and remittances increased marginally. Livelihood diversification, which is an indicator of vulnerability and/or resilience, indicates a large proportion of households have either a single (45 percent) or two (37.5 percent) income sources.



Availability: In this period winter crops (wheat and barley) were nearing the harvesting stage and the harvest is expected to start in March/April (*Falgun*). **Map 2** shows the wheat crop map. DFSNs anticipated normal wheat production based on normal growth, timely winter rains and availability of seeds. However, in the eastern hills and mountains, DFSNs reported a overall decrease in the wheat crop area by 7 percent and anticipated an associated production drop of 6 percent compared to last year.

The Nepal Food Corporation (NFC) and development partners provide food assistance (subsidized or in-kind) in different parts of the country, primarily in the remote districts. DFSNs reported that NFC supplied 6,493 mt of rice in different mountain districts of the country. WFP, as a part of its emergency response, also provided food assistance to the flood affected families of Banke, Bardiya, Surkhet and Dang; a total of 1,683 mt of food (rice, pulses, vegetable oil, salt and super cereal) was provided during November 2014–February 2015.



Map 2: Crop map (Wheat), Nov 2014– Jul 2015 (Source: DFSNs)

According to the NeKSAP household survey, the average household cereal stock was 414 kg, which provides, on average, 5.2 months of household staple food sufficiency. However, the average household cereal stock and the self sufficiency period varies by ecological belt. For instance, in the Terai the average household cereal stock was 456 kg while in the Hills it was 366 kg.

Household incomes: Nepal Rastra Bank (NRB) reported a remittance inflow of NPR 371 billion (USD 3.76 billion) during the first eight months of the Fiscal Year 2071/72¹. With the remittance inflow during the first four months reported at NPR 180.34 billion, remittance inflow during this reporting period is estimated at NPR 190.66 billion. It is to be noted that these estimates include the remittance inflow through formal channels only and do not account for the remittances through informal channels, e.g., hand-carry remittances, which is common in the mid- and far-western regions.

Income from agriculture and livestock was also high in this period, particularly in the central Terai (NPR 25 billion), eastern Terai (NPR 23 billion), and western Terai (NPR 13 billion). Development programmes of the government and non-governmental agencies also contributed to household income and food security. For instance, in the Karnali, the Karnali Employment Programme (KEP), Rural Access Programme (RAP 3), Local Adaptation Plan of Action (LAPA) and Rural Construction and Infrastructure Works (RCIW) created employment worth NPR 67 million for roughly 12,000 people. Similarly, 6,600 households in Surkhet, Banke, Bardiya and Dang participated in WFP's cash for work programme earning NPR 81.5 million.

Food price and markets: The year-on-year Consumer Price Index (CPI), as shown in **Figure 4**, was 7.0 percent in March 2015 compared to 8.9 percent in March 2014. The food and beverage index was 9.5 percent compared to 10.8 percent in March 2014. The cereal grain, vegetable, and meat and fish sub-group indices were 7.8 percent, 4.8 percent and 9.8 percent compared to 11.7 percent, 13.9 percent and 13.5 percent respectively in March 2014. **Figure 5** compares the retail price of major staples and potato in December 2013–March 2014, August–November 2014 and December 2014–March 2015. Compared to August–November 2014, the price of coarse rice and red potato decreased by 4.1 and 29.1 percent respectively, while that of wheat flour increased by 1.3 percent. The price decline is likely a result of improved supplies after the summer crop harvest.

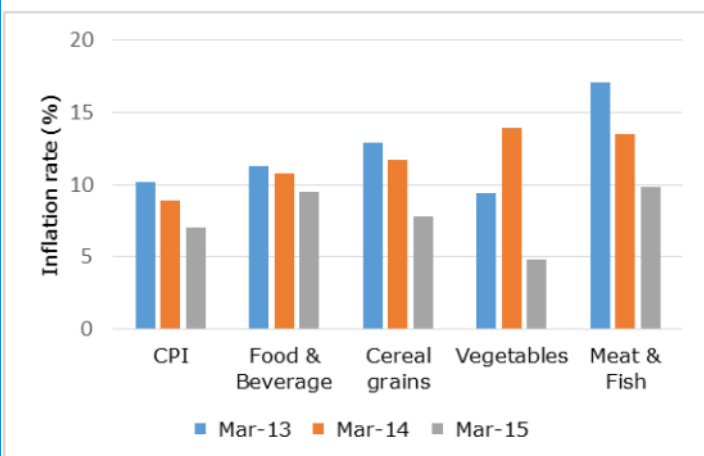


Figure 4: Year-on-year inflation rate (Source: Nepal Rastra Bank)

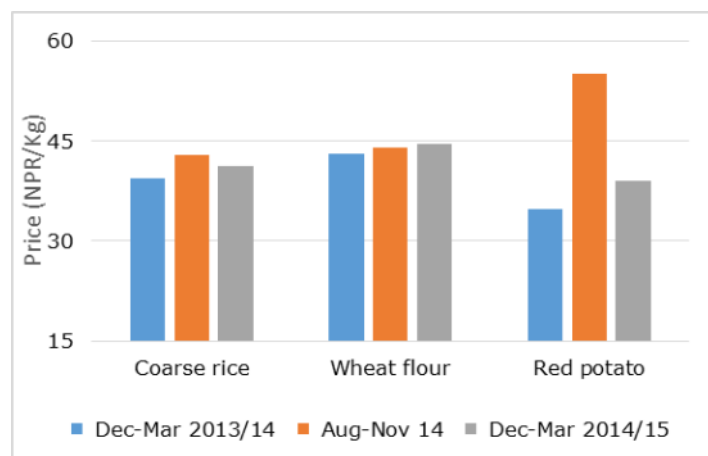


Figure 5: Retail price of major staples and red potato (Source: MoAD)

Food purchasing power: **Table 1** presents the average daily rate of unskilled wage laborers and the average price of coarse rice by ecological belt from December 2014–March 2015. These variables are used to calculate terms of trade, an indicator of household purchasing power. Despite higher wage rates, laborers in the mountains have poorer purchasing power compared those in the Hills and Terai. For example, during this period, consumers in the Mountains, on average, had to pay 62.7 and 50.8 percent more than in the Terai and Hills, respectively, for rice.

Table 1: Wage to cereal terms of trade, Dec-Mar 2014/15

Ecological belt	District wage rate (NPR/day)	Price of coarse rice (NPR/kg)	Terms of Trade (ToT)
Mountains	468.7	62.8	7.5
Hills	416.1	41.6	10.0
Terai	340.0	38.6	8.8
Average	408.2	47.7	8.6

¹ Nepal Rasta Bank, Current macro economic situation of Nepal (Based on eight months' data of 2014/15)



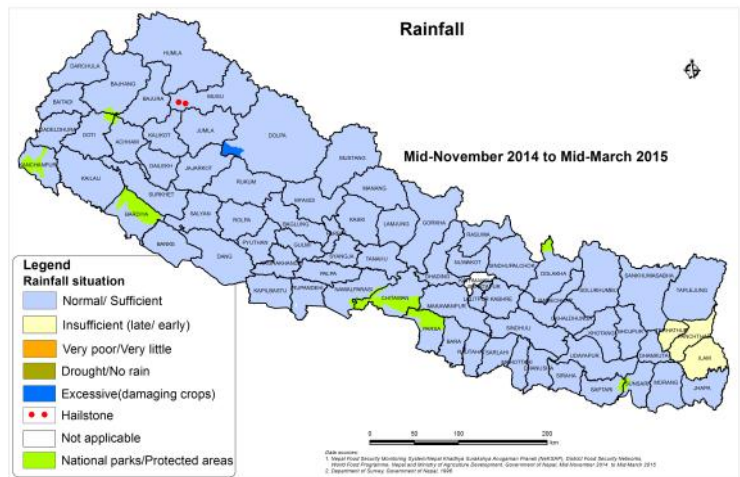
Utilization: According to DFSNs, there were no major acute health and sanitation issues impacting food utilization in this period. Evidence from the NeKSAP household survey supports this, with 5.8 percent of surveyed children under five years of age (n=311) reporting diarrhea. Furthermore, 2.8 percent of children under five (n=311) had a mid-upper arm circumference (MUAC) of less than 12.5 cm. MUAC is a measure of nutritional status and is used as a screening tool for nutrition programmes.

DFSNs also monitor Open Defecation Free (ODF) VDCs as an indicator of community sanitation. A total of 1,807 VDCs and municipalities were declared ODF by the end of this reporting period. The Western Hill and Mountain (WHM) cluster had the largest proportion of ODF VDCs, with 86 percent of VDCs declared ODF.

Stability: With the prolonged monsoon withdrawal in October, DFSNs reported that rainfall was adequate for winter crops. **Map 3** shows the adequacy of rainfall for winter crops as reported by DFSNs. Rainfall was reported as normal in most parts of the country except in some districts in the Eastern Hill cluster, notably in Ilam, Panchthar and Tehrathum, where rainfall was reported as insufficient. Some mid-western districts, however, reported rainfall as excessive for the pulse crop.

In this reporting period DFSNs did not report any large-scale climatic shocks or other disasters affecting the food security situation. However, DFSNs reported crop damage due to hailstones in Mugu and Sindhupalchowk. In Mugu, for example, the high loss of summer crops (40-50 percent) in 6 VDCs contributed to a significant deterioration in the food security situation.

The **25 April earthquake** is covered in a separate publication, *A report on the food security impact of the 2015 earthquake*.



Map 3: Rainfall situation, mid-Nov 2014 to mid-Mar 2015 (Source: DFSNs)

Food security outlook (mid-March to mid-July 2015)

In the next four-month period (mid-March to mid-July 2015), households will utilize the food stocks maintained through the recent harvest of winter crops, especially wheat and barley. Wheat, the major winter crop of the country, will be harvested during late March or April. The late start of the 2014 monsoon and prolonged withdrawal is expected to benefit winter crops, especially wheat. In addition, the third Monsoon Forum held in 11 December 2014, has projected 'normal to above normal' winter rains in Nepal. Hence, prospects for 2015 winter crops appear promising. The CGIAR Research Programme on Climate Change, Agriculture and Food Security (CCAFS) Regional Agriculture Forecasting Toolbox (CRAFT), as of 10 March 2015, forecasts production gains for 2015 wheat, with an estimated production of 1.9 million mt.

For the next four-month period (mid-March to mid-July 2015), district food security networks (DFSNs) have forecasted that **74** VDCs will be classified as **moderately food insecure (Phase II)** or worse. In the 6 VDCs in Surkhet which were reported as highly food insecure (Phase III) in the last two reporting periods, the situation is expected to improve to Phase II.

Karnali cluster: DFSNs have forecasted that a majority of VDCs (129 out of 134) will be classified as minimally food insecure (Phase I). The situation in 18 VDCs in Humla and 12 VDCs in Mugu currently classified as moderately food insecure (Phase II) and 2 VDCs in Mugu currently classified as highly food insecure (Phase III) will likely improve to Phase I and Phase II respectively. In Mugu, government assistance (worth NPR 20 million) to hailstone-affected VDCs will be distributed during March-July 2015. Households will most likely have increased food stocks through the wheat harvest and employment opportunities will continue through government and non-government programmes and projects like AFS, RCIW, LAPA and RAP 3. Road and air transport is expected to remain normal and traders are expected to maintain higher stockpiles in anticipation of the upcoming monsoon. Households will also engage in *Yarchgumba* collection, which is expected to increase their income significantly. Nevertheless, the food security situation is expected to deteriorate in 3 VDCs in Dolpa (Sarmi, Narku and Kaalika) due to anticipated production drops in naked barley, barley and wheat.

Rapti-Bheri cluster: DFSNs have forecasted that a majority of VDCs and municipalities in this cluster will be classified as minimally food insecure. Nevertheless, 7 VDCs in Jajarkot will continue in Phase II as summer crop food stocks will be depleted and production of wheat is expected to be lower due to cold temperatures during the growing stage. Similarly, poor road access is also expected to negatively impact food availability and physical access. In the 6 VDCs in Surkhet which were reported as highly food insecure (Phase III) in the last two reporting periods, the situation is expected to improve to Phase II because of the recovery and rehabilitation programmes being initiated by the government and development partners.

Eastern Hill and Mountain cluster: This cluster, as a whole, is expected to be classified as minimally food insecure (Phase I). Nevertheless, 50 VDCs (8 in Taplejung, 8 in Panchthar, 23 in Khotang and 11 in Udayapur) are projected to be moderately food insecure (Phase II). In these areas, winter crops do not make a substantial contribution to household food stocks, which will be depleted, and income from crops and livestock is also expected to be lower than usual.

Central Hill and Mountain cluster: In this cluster, 6 VDCs in Sindhupalchowk and some wards in 12 VDCs in Dhading are expected to be classified as moderately food insecure (Phase II). In Sindhupalchowk, the deteriorating food security situation in the 6 VDCs is attributed to the flood in August 2014 and crop (paddy and millet) damage from hailstones.

District food security networks forecast that **the rest of the country will be classified as minimally food insecure (Phase I)**. In this period winter crops will be completely harvested and as a result a majority of households are expected to have increased food stocks. Other factors affecting the food security situation are expected to remain stable. Markets are expected to meet the demand for food with adequate stockpiles, and price fluctuations are expected to be normal. In addition, regular income through wage labour, agriculture and livestock product sales and remittances will continue to contribute to food access. In the mountain districts of the far-western, mid-western and western regions, many households will be involved in *Yarchgumba* collection.



Updates

- **NeKSAP district food security network meetings:** MoAD and WFP organized district food security network (DFSN) meetings in 74 of 75 districts in March-April 2015.
- **NeKSAP regional debriefing meetings:** Following the completion of the DFSN meetings, MoAD and WFP organized NeKSAP regional debriefing meetings in each development region in April 2015; in the eastern, central, and mid-western regions these were aligned with the MoAD regional review meetings. At the meetings food security focal points from District Agriculture Development Offices (DADOs) presented the food security situation in their respective districts from mid-Nov 2014 to mid-March 2015 and the outlook for the upcoming trimester. Regional Agricultural Directorates also presented the overall food security situation, issues, and challenges of their respective regions.
- **NeKSAP Transition Action Plan and annual work plan:** MoAD and WFP developed a NeKSAP Transition Action Plan and annual work plan in February 2015. Stakeholder workshops were held in February to develop the plans. The action points agreed in the Transition Action Plan were incorporated in the annual work plan.
- **Food security response analysis:** Following the field testing of the food security response analysis prototype in early 2014, it was piloted in 10 more districts (Dhankuta, Khotang, Parsa, Dhading, Tanahun, Jumla, Dailekh, Bajura, Dadeldhura, Kanchanpur) in December and January.
- **Refresher training on NeKSAPinfo:** MoAD and WFP organized a 2-day refresher training on NeKSAPinfo (the information system for NeKSAP) in the far-western, mid-western, western and central regions with NeKSAP focal persons from 59 districts. The training enhanced the skills of NeKSAP focal persons to use the software to produce NeKSAP maps and perform information management at the district level.
- **District food security bulletins:** DFSNs produced district food security bulletins in selected districts (see examples below).
- **Earthquake:** Following the 25 April earthquake ad hoc DFSN meetings were held in 12 affected districts in mid-May, together with a household survey and market assessment. See the results in the publication, *A report on the food security impact of the 2015 earthquake*.



District food security information

The Nepal Food Security Monitoring System (NeKSAP) currently monitors 74 districts across Nepal. The information collected forms the basis for this bulletin. Detailed district food security bulletins are available upon request in English and Nepali.

Cluster 1. Karnali

Dolpa
Humla
Jumla
Kalikot
Mugu

Cluster 2. Far-Western Hill & Mountain

Achham
Bajhang
Bajura
Baitadi
Dadeldhura
Darchula
Doti

Cluster 3. Rapti-Bheri Hills

Dailekh
Jajarkot
Pyuthan
Rolpa
Rukum
Salyan
Surkhet

Cluster 4. Western Terai

Kanchanpur
Kailali
Bardiya
Banke
Dang
Kapilbastu
Rupandehi

Cluster 5. Central and Eastern Terai

Nawalparasi
Chitwan
Parsa
Bara
Rautahat
Sarlaha
Mahottari
Dhanusha
Saptari
Siraha
Sunsari
Morang
Jhapa

Cluster 6. Western Hill and Mountain

Gorkha
Lamjung
Tanahu
Arghakhanchi
Gulmi
Palpa
Syangja
Parbat
Baglung
Myagdi
Mustang
Manang
Kaski

Cluster 7. Central Hill and Mountain

Sindhuli
Ramechhap
Dolakha
Sindhupalchok
Kavrepalanchok
Nuwakot
Rusuwa
Makwanpur
Dhading

Cluster 8. Eastern Hill and Mountain

Taplejung
Panchthar
Sankhuwasabha
Ilam
Okhaldunga
Khotang
Dhankuta
Udayapur
Solukhumbu
Bhojpur
Terhathum

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Food Security Monitoring Unit
Ministry of Agricultural Development
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www.moad.gov.np

National Nutrition and Food Security Secretariat
National Planning Commission
Singh Durbar, Kathmandu
www.npc.gov.np/new/eng/index.php

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