

# Nepal Food Security Bulletin

Issue 30, February 2011



## Situation Summary

This issue covers the period October-December 2010, the harvesting season of main summer crops paddy, maize and millet. The overall food security situation is reported to be stable across Nepal. Most of the Eastern, Central, and Western Hill and Mountain regions as well as the whole *Terai* belt are generally food secure. The Mid and Far Western Hill and Mountain districts, where there is a prevailing situation of chronic food insecurity, have reported low to moderate levels of food insecurity. This season appears to be one of the best seasons among the past years since the Food Security Phase Classification was first introduced in mid-2006. The seasonal improvement in the food security is mainly attributed to the good harvest of summer crops in 2010, following a normal winter crop production in April/May 2010.

According to the preliminary estimates of the Ministry of Agriculture and Cooperatives (January 2011), the 2010 summer crop production increased by 11.0 percent and 11.5 percent for paddy and maize respectively compared to last year while millet production increased by 1.0 percent. Despite the late start of monsoon, the rain remained active from end July till end September 2010, providing a good irrigation to the crops. Poor or moderately impaired summer crop production was reported in parts of Saptari, Siraha, Mahottari, Dhanusha, Dailekh, Mugu, Dadeldhura, Bajura and Doti districts where localized disasters like dry spell, flood, and hailstorm have affected the crops. In part of the eastern *Terai*, namely Saptari and Siraha districts, significant proportions of paddy field (more than 50 percent and 30 percent respectively) remained fallow due to dry spell and lack of irrigation facilities.

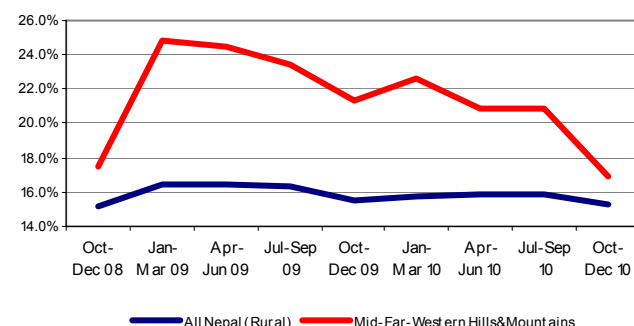
Eastern Hill and Mountain districts, namely Taplejung, Terhathum, Sankhuwasabha, Panchthar and Bhojpur, have benefited from cardamom production and sales during the reporting period. The production has increased by 30 percent (Taplejung) and its selling price has gone up by more than 5 times compared to last year.

In the Karnali region, the population continued to earn good income from the sale of *Yarchagumba* (medicinal herb), apples, and walnuts. Opening of Tibetan border during the month of August helped people in the border areas to restock the food. Food aid of about a month-worth consumption was provided by the Government of China for some 3,240 households in 12 northern most VDCs in Humla, Dolpa and Mugu. Food stocks in main markets are reportedly sufficient and prices are stable. However the situation is likely to deteriorate during the period of January to March in most of the Karnali where roads and trails would be disrupted due to snowfall and no incoming harvest is expected, resulting in the depletion of household and market food stocks.

The Far Western Hill and Mountain districts reported a notable improvement in the short term food security over the previous quarter, which is mainly attributed to a normal summer crop production. The situation, however, is likely to deteriorate during the next quarter in the areas where no external support is envisaged.

The NeKSAP District Food Security Networks (DFSNs) in the Eastern and the Far Western regions have identified a total of 33 VDCs in two districts (Saptari and Baitadi) that are highly food insecure (Phase-3).

Figure 1. Percentage of population food insecure\*



## Food Security Overview

Food Security Cluster	Current Qtr.	Change over past quarter	Next 3 month outlook	Next 6 month outlook
1. Karnali	⊖	↑	↓	↑
2. Far-Western Hill and Mountain	⊖	↑	↓	↑
3. Rapti-Bheri Hills	⊙	↑	→	→
4. Western Terai	⊙	→	→	→
5. Central & Eastern Terai	⊙	→	→	→
6. Western Hill and Mountain	⊙	→	→	→
7. Central Hill and Mountain	⊙	↑	→	→
8. Eastern Hill and Mountain	⊙	→	→	→
Food insecure population	3.4 mln	→	→	→

Good summer crop harvest and income from cash crop sales such as apple, walnuts, cardamom and Yarchagumba have improved the short term food security situation across the country.

However the situation is likely to deteriorate in most of the Karnali and part of the Far Western Hill and Mountain districts over the next quarter as the household and market food stock will be depleted while no immediate harvest is coming in and market access will be disrupted due to snowfall.

The food security situation in the rest of the country will remain stable. Winter crop is growing well and the production is expected to be normal provided that the trend continues.

**Classification key** See page 3 for more detailed classification explanation

- ⊙ Food secure
- ⊖ Moderately food insecure
- ⊕ Highly food insecure
- ⊗ Severely food insecure
- ⊘ Humanitarian emergency/ famine



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

\* A detailed description of methodology used by WFP to calculate food insecure population is provided on the NeKSAP google site: <https://docs.google.com/viewer? a=v&pid=sites&srcid=ZGvmYXVsdGRvbWVfbnXuZWZvb2RzZWw8Z3g6M2M2NzA4NmRiM2ZiN2M3M0>

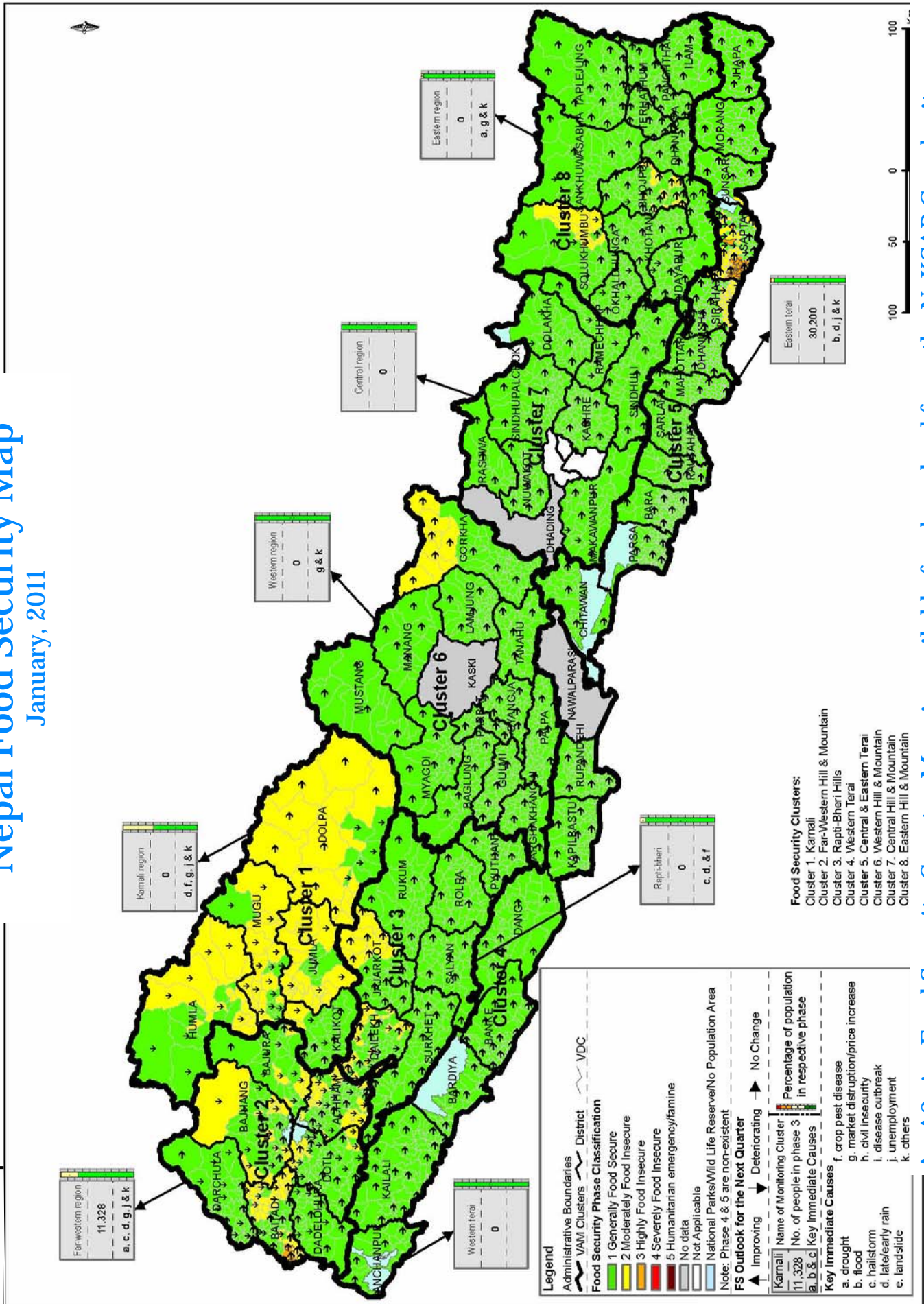


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## Food Security Phase Map

**Nepal Food Security Map**  
January, 2011

Map 1.



An A3 size Food Security Country Map is available for download from the NeKSAP Google site:  
<https://sites.google.com/site/nefoodsec/home/food-security-phase-classification-maps>



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## Highly & Severely Food Insecure Populations

### Highly and Severely Food Insecure Populations

Across Nepal, the population suffering from acute food insecurity is estimated by WFP at 3.4 million\*, out of which the population in the Far and Mid Western Hill and Mountain districts accounts for 0.45 million. The number has significantly decreased across the country (FSB Issue 29 October 2010), which is attributed to the good summer crop harvest following a normal winter crop production in April/May 2010, good income from NTFP and cash crops, opening of the Tibetan border and external assistance including food aid from the Government of China.

The table below provides estimated figures of concentrated populations experiencing a high/severe level of food insecurity in the food insecure districts across Nepal (reported by the NeKSAP District Food Security Networks). At these levels of food insecurity, households consume a poor and inadequate diet and are resorting to severe and often irreversible coping strategies such as reducing the size of the meals, opting for less preferred food, heavy borrowing and selling of assets. The NeKSAP District Food Security Networks identified a total of 41,500 people as highly food insecure residing in the VDCs classified as the Phase-3 in Baitadi (FWHM) and Saptari (CE Terai) districts. The 3.4 million food insecure estimated by WFP includes people living in areas classified as the Phase 1 or 2.

District/VDCs affected	Highly Food Insecure	Severely Food Insecure	% of total district population
	Phase 3	Phase 4	
<b>Cluster 2. Far-Western Hills and Mountains</b>			
<b>Baitadi:</b> Pancheshwor, Mahakali, Kulau, Amchaura and Shibaniath	11,300	0	4.3%
<b>Cluster 5. Central and Eastern Terai</b>			
<b>Saptari:</b> Lohjara, Terhauta, Phulkahi, Paterwa, Dhangadhi, InarwaPhulbariya, Malahaniya, Khadakpur, Kabilasha, MainaSahasrabahu, Manraja, Mauwaha, Negada, Pato, Tikuliya, Ramnagar, Rautahat, Sarshwar, Siswa, Tarahi, Kachan, Arnaha, BodeBarsain, Deuri, Banaula, Banauli, Belhi, and Bhutahi	30,200	0	4.3%
<b>TOTAL THIS QUARTER</b>	<b>41,500</b>	<b>0</b>	
<b>TOTAL LAST QUARTER</b>	<b>376,400</b>	<b>0</b>	
<b>TOTAL LAST YEAR THIS PERIOD</b>	<b>364,000</b>	<b>31,500</b>	
<b>DIFFERENCE:</b>			
<b>COMPARED TO LAST QUARTER</b>	<b>-90.0%</b>	<b>0</b>	
<b>COMPARED TO LAST YEAR THIS PERIOD</b>	<b>-88.6%</b>	<b>-100%</b>	

#### Food security classification:

- Phase 1. Food Secure – household has secure access to food.
- Phase 2. Moderately Food Insecure – household members have reduced their consumption, calorie and nutrient intake of household members is borderline sufficient. In addition, the household is undertaking coping mechanisms such as borrowing money and selling non productive assets.
- Phase 3. Highly Food Insecure – household members have significantly reduced their consumption, calorie and nutrient intake is highly deficient. In addition the household is undertaking irreversible coping mechanisms such as selling productive assets and taking children out of school.
- Phase 4. Severely Food Insecure – household members have significantly reduced their consumption, calorie and nutrient intake is highly deficient. The household has limited coping mechanisms left and is likely to be selling final assets/ land.
- Phase 5. Humanitarian Emergency - there is no opportunity for the household to gain access to food, leading to starvation if no intervention is made.

\*The food insecure population estimates are based on the 2009 projected population. A detailed description of methodology used by WFP to calculate food insecure population is provided on the NeKSAP google site:

<https://docs.google.com/viewer?a=v&pid=sites&srcid=ZGVmYXVsdGRvbWFpbxuxuZWZvb2RzZWN8Z3g6M2M2NzA4NmRiM2ZIN2M3MO>



### Crop production

Map 2. Paddy Production

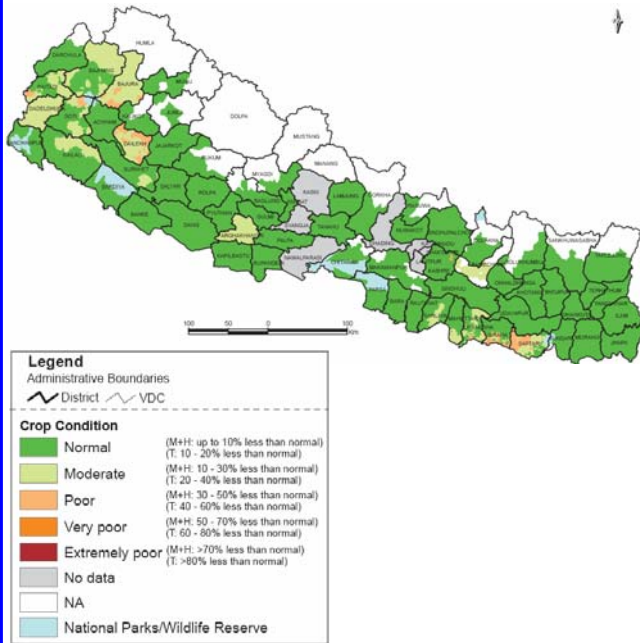
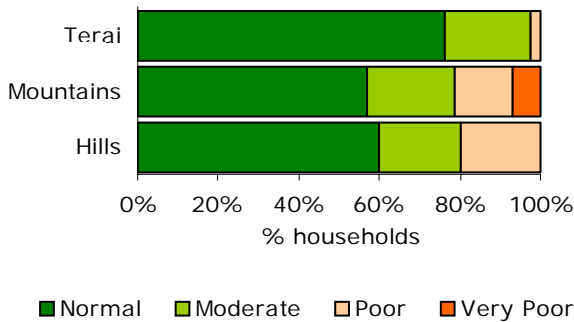


Figure 2. Household perception of major summer crop production outcome by eco-belt



### Domestic Situation

- According to the MoAC preliminary estimates released in December 2010, the 2010/2011 national paddy production is 4.46 million MT, increased by 11.0 percent compared to 2009/2010. Maize and millet productions are estimated at 2.07 and 0.30 million MT respectively, with an increase of 11.5 percent and one percent respectively compared to the 2009/2010 summer season. In the 2009/2010 crop year the edible cereal balance was a record 330,000 MT deficit (MoAC, July 2010), which is expected to improve for the 2010/2011 after the good harvest. Revised estimates will be available after the winter crop harvest in April 2011. The MoAC, WFP and Food and Agriculture Organization (FAO) conducted a joint crop verification mission in mid January 2011 and the report is being released separately.
- Despite the overall good national production, some areas have experienced a high level of losses due to localized natural disasters: late/insufficient rainfall severely affected paddy plantation in parts of Saptari, Siraha, Surkhet, Dailekh, Doti, Dadeldhura and Bajura; hailstorms affected paddy and millet during the pre-harvesting stage in Bajura and Doti. In Saptari more than 50 percent of paddy fields remained fallow due to a dry spell during the planting stage. Likewise, paddy production decreased by some 40 percent in Siraha due to late and insufficient rainfall. The very poor production has affected the vulnerable segment of the population such as landless and small holders, who mainly depend on incomes from agricultural wage labour.
- Wheat, the main winter crop, is growing well to date. The prolonged and active monsoon rain contributed to a good germination of the crop. Rainfall during the months of February and March will be critical to prevent deterioration of the winter crop production.

### Regional/International Situation

- India, Nepal's largest trading partner, is also expecting a good production during 2010/2011: according to the second advance estimate of crop production 2010/2011, India is expecting to produce 232.07 million MT foodgrains, increase by 6.4 percent compared to the 2009/2010 production and marginally below the record production of 2008/2009 234.47 million MT. Despite the good harvest, it is not likely that the GoI will lift its ongoing export ban of wheat and rice.
- According to FAO, the latest estimate of the world cereal production in 2010 stands at 2,229 million MT, 1.4 percent down from the previous year but still the third highest on record. The world supply and demand balance for cereals is expected to tighten considerably with total utilization exceeding world production in the 2010/11 marketing year, resulting in a sharp increase in world prices of all major cereals in recent months. ("Crop Prospects and Food Situation", FAO, December 2010)
- In many food insecure areas, people out-migrate seasonally to Indian and Nepalese cities in search for labour after the harvesting of summer crops and plantation of winter crops. This is a traditional coping strategy that the population commonly adopt in Nepal, especially in the Far and Mid Western Hill and Mountain districts. Normal out-migration trend has been reported across the country, reflecting relatively stable food security situation.
- In Saptari and Siraha, where the summer crop production was poor, resulting in less or no agricultural employment available locally, the number of people out-migrating reportedly went up by 20-40 percent. In Dailekh, the number of out-migrants has increased by 15 percent compared to last year mainly due to a poor summer crop production.
- In most of the Far Western Hill and Mountain districts the number of out-migrants has increased by 10-20 percent after the phasing out of the PAF, FINNIDA and other development projects whereas in Mugu, the number has reduced by 12 percent thanks to the WFP food for assets project.

### Migration trends

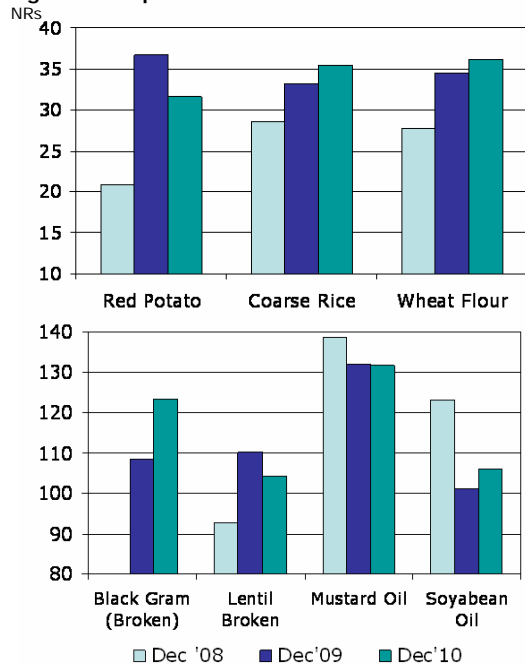


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## Key Food Security Factors

### Markets

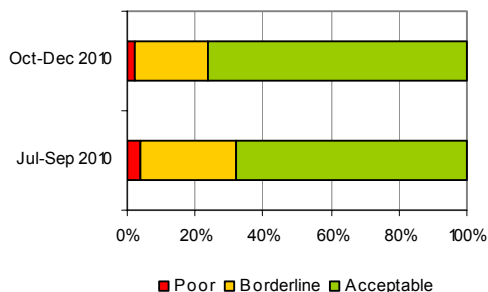
Figure 3. Staple Food Prices December 2008/'09/'10



- Year on year (y-o-y) food price inflation, as measured by the consumer price index, increased to 13.3 percent in December 2010 on top of 16.0 percent inflation during the same period last year. The annual price inflation of staple cereal grains in December was 15.0 percent.
- The supply situation in the hills and mountains improved during the monitoring cycle compared to last quarter. Major roads and trails into mountainous areas of the country opened following the end of monsoon and markets were generally re-stocking food supplies unhindered. The summer harvest that occurred from September/October in hill and mountain also helped the supply situation.
- Every market monitored in the Terai reported that the supply situation had improved during the quarter due to the summer harvest that occurred during October and November. However, despite the overall better supply situation bandhs caused 70 percent of markets monitored in the Terai to close for an average of 2.5 days during the month. The majority of bandhs during the period were either politically motivated or related to petrol price increases.
- A sharp increase in world prices of all major cereals has been observed with wheat and coarse grains trading at around 50 percent above the previous year's levels (ibid. FAO, December 2010). This increase has not had significant impact on Nepal grain prices but continues to be monitored.

### Household food security

Figure 4. Food Consumption Group\* Oct-Dec vs Jul-Sep cycle



- Reflecting the stable food security situation, key household food security indicators have shown an overall improvement across rural Nepal: households with acceptable food consumption has increased from 67 percent to 76 percent (Figure 4); households that adopted severe coping strategies (e.g. heavy borrowing, sale of household assets and sale of agricultural assets) have dropped significantly (Figure 5); average household grain stock has increased from 2.6kg to 5.0kg.
- Main income sources during the monitoring cycle were: sale of livestock and livestock products; remittances; daily wage labourer and sale of crops.
- For those households that live in the VDCs classified as Phase-2 ("moderately food insecure") or Phase-3 ("Highly food insecure"), food security indicators showed a worrying situation: about half of the households reportedly consumed inadequate diet (Figure 6); a significant proportion of households adopted severe coping strategies including heavy borrowing, opting for less preferred/inexpensive food; reducing the number of meals; consuming seed stock and sale of agricultural assets.

Figure 5. Coping Strategies Oct-Dec vs Jul-Sep

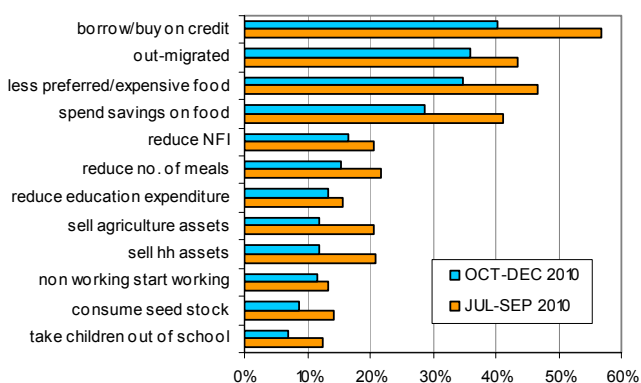
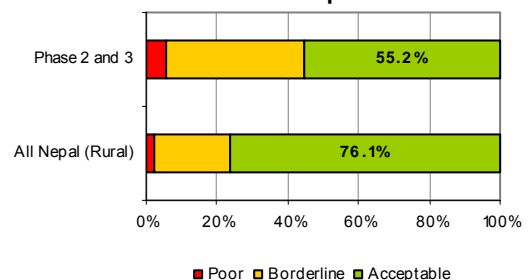


Figure 6. Food Consumption Group FS Phase II & III vs Rural Nepal



\* A detailed description of methodology used by WFP to calculate food consumption group is provided on the NeKSAP google site: <https://docs.google.com/viewer?a=v&pid=sites&srcid=ZGVmYXVsdGRvbnVWfWpbnxuzWZvb2RzZW58Z3g6NWVfYWE1M2EOZjFkNjNjNO>



### Food security outlook

- During October to December 2010, the food security situation has shown a significant improvement mainly attributed to a good summer crop production and income from sales of NTFP and cash crops. The situation is anticipated to deteriorate especially in the Karnali and the Far Western Hill and Mountain districts **starting with the hunger season in March and April**: household food stock will have been depleted; market supply would be disrupted due to snowfall in higher altitude areas. Food security situation of VDCs currently in Phase-2 with downward outlook are to be monitored closely during the next monitoring cycle. These VDCs are concentrated mainly in Karnali districts of **Mugu, Humla, Jumla and Kalikot** (some 50 VDCs out of the total 134 VDCs in the region) and to some extent in other districts including **Dailekh, Bajura, Doti, Baitadi, Bajhang and Achham**.
- Despite a good paddy harvest across the *Terai* belt, the western part of **Saptari** and the southern belt of **Siraha** districts experienced a paddy loss of 40-60 percent. In these areas, the most affected population is among the landless and small land holders as the poor crop production limited the availability of agricultural wage labour opportunities by 30-50 percent. Food security situation of the vulnerable population in these areas need to be monitored closely during the next cycle.
- The early outlook for the main **winter crop**, wheat, is good across Nepal except in some pocket areas in the eastern *Terai*: in the south-western belt of Saptari, wheat plantation reportedly took place only in 20 percent of area due to dry spell. The progress will be monitored closely by the NeKSAP as rainfall during the months of February and March is critical for the winter crop production output.
- Seasonal **out-migration** will continue while **in-migration** will start in March/April to catch up with the winter crop harvest.
- There may be occurrences of **bandhs and strikes** of a political nature, which has a potential impact on food security through market closure, reduction of wage labor opportunities and limited transportation of agricultural inputs as well as food items.
- **Physical access to market** is anticipated to be disrupted due to snowfall in high altitude areas and the closure of Tibetan border during winter, resulting in a lower level of food stock at local markets and the NFC (Nepal Food Corporation).
- Food **market prices** need to be monitored closely while world prices of all major cereals continue to rise.

### Detailed district food security information

The Nepal Food Security Monitoring System (NeKSAP) currently monitors 67 districts across Nepal. The information collected forms the basis for this bulletin. Detailed food security bulletins are available for download in English\* and Nepali from the NeKSAP google group <https://sites.google.com/site/nefoodsec/home>. Reports for the most food insecure districts are provided as an appendix to this report.

#### 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

Chitwan\*  
Parsa\*  
Bara\*  
Rautahat\*  
Sarlahi\*  
Mahottari  
Dhanusha\*  
Siraha\*  
Saptari\*  
Sunsari\*  
Morang  
Jhapa

#### 6. Western Hill and Mountain

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

#### 7. Central Hill and Mountain

Sindhuli  
Ramechhap\*  
Dolakha\*  
Sindhupalchok\*  
Kavrepalanchok\*  
Nuwakot\*  
Rusuwa\*  
Makawanpur\*

#### 8. Eastern Hill and Mountain

Taplejung\*  
Panchthar\*  
Sankhuwasabha\*  
Ilam\*  
Okhaldunga\*  
Khotang\*  
Dhankuta\*  
Udayapur\*  
Solukhumbu\*  
Bhojpur\*  
Terhathum\*

*This Food Security Bulletin is based on (i) data collected from 1093 households (Hill: 446 households; Mountain: 381 households and Terai: 266 households) during October-December 2010 as a part of the Nepal Food Security Monitoring System (NeKSAP), (ii) NeKSAP District Food Security Network Meetings across 67 districts and other information sources as referenced.*



This product is funded by the European Union Food Facility. The views expressed in this publication do not necessarily reflect the views of the European Commission.



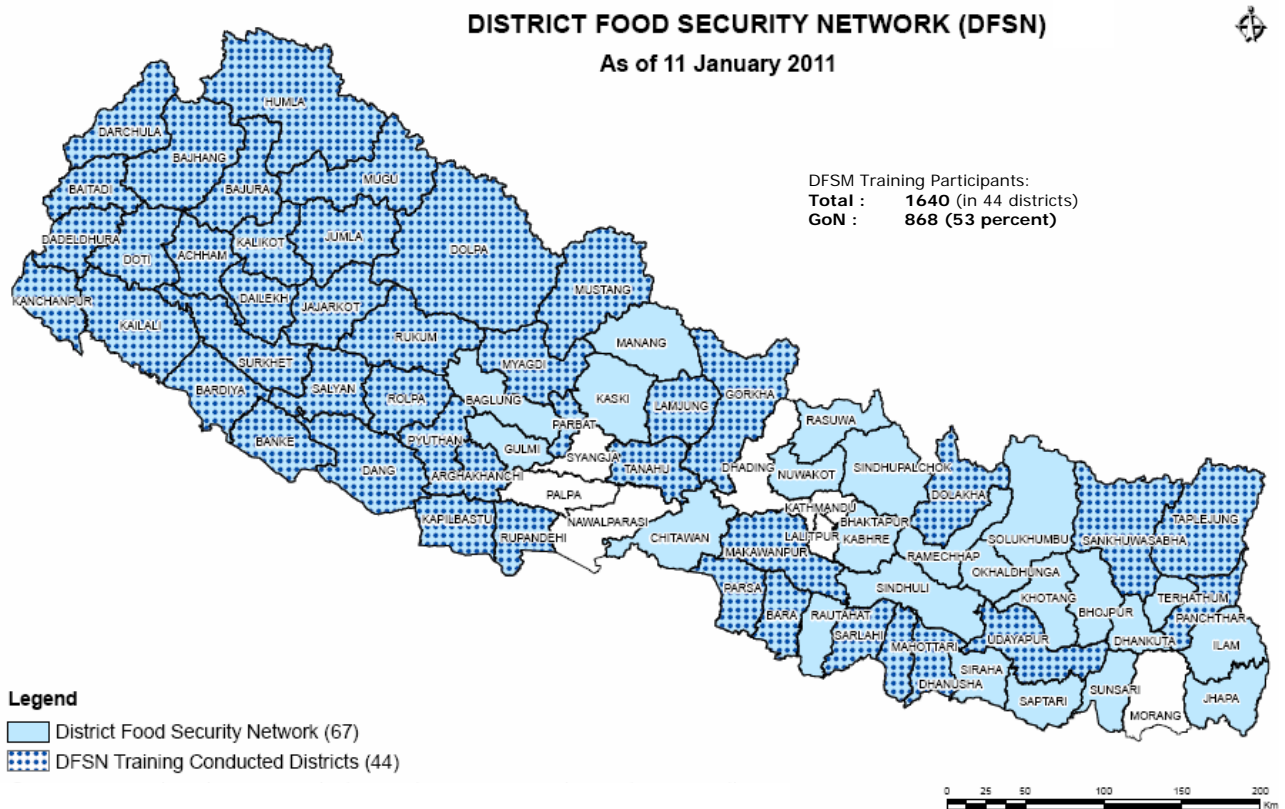


### MoAC - WFP Memorandum of Understanding to strengthen the Nepal Food Security Monitoring System

The Ministry of Agriculture and Cooperatives (MoAC) and the United Nations World Food Programme signed a Memorandum of Understanding (MoU) for a project entitled “Strengthening of the Nepal Food Security Monitoring and Analysis System” on 29 November 2010. The overall objective of the project is to strengthen the food security monitoring capacity of the MoAC through transferring the food security phase classification approach to the MoAC. Information generated through the process is expected to guide a timely and appropriate response from various actors including the GON, I/NGOs and UN agencies to mitigate any negative impact on the food security status of vulnerable population in Nepal. The project is funded under the European Union Food Facility.

Among others, the main activities envisaged are to expand the NeKSAP District Food Security Networks (DFSNs) to 72 districts across Nepal and to train the DFSN members in respective districts for district-based food security monitoring and analysis. As of mid-January 2011 the DFSNs have been expanded to 67 districts and a total of 1,640 DFSN members in 44 districts have received the training (Map 3). Various stakeholders including representatives from the government offices (53% of total), I/NGOs, UN agencies and civil society, have participated in the training.

Map 3. NeKSAP Activities Update



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