



Nepal Food Security Bulletin

Issue 35, May 2012

This edition focuses on the Mid and Far Western Hill and Mountain districts



Situation Summary

This issue covers the period January to March 2012, and focuses on the food security updates of the Mid and the Far Western Hill and Mountain (MFWHM) districts. January-March is an agricultural lean period in Nepal. The food security situation in the MFWHM districts has deteriorated compared to the previous quarter, which is mostly within the range of seasonal fluctuation during the lean season. Exceptions were found in pocket areas of Darchula district, where five VDCs have been classified as "highly food insecure (Phase-III)". This is mainly attributed to a low summer crop production of maize and paddy, coupled with a limited availability of wage labour opportunities.

In the rest of the country, the food security situation is reportedly stable overall due to the bumper harvest of summer crops that took place in October-December 2011.

According to the NeKSAP District Food Security Networks (DFSNs) in the 17 MFWHM districts, out of the total of 786 VDCs/Municipalities, some 30 percent are classified as food insecure: five VDCs in Darchula are "highly food insecure (Phase-III)"; 233 VDCs (29.6 percent) in Humla, Mugu, Jumla, Dolpa, Achham, Bajura, Doti, Baitadi, Bajhang, Darchula, Dailekh, Jajarkot and Rukum are "moderately food insecure (Phase-II)". In the highly food insecure VDCs, households are coping through consuming less preferred food, heavy borrowing of food/cash and selling of small livestock. The situation is expected to improve during the next cycle due to the upcoming winter crop harvest (May) and the starting of the *Yarchagumba* collection in May-June.

Cereal market prices have been stable and the supply situation is reportedly normal, owing to the good summer and winter crop production. Ongoing political instability and frequent occurrence of *Bandh* have so far not impacted notably on food security situation. The situation will be monitored closely by the NeKSAP over the next quarter.

Winter crops of wheat and barley are harvested across Nepal between April and June. According to the Ministry of Agriculture Development, the 2011/12 wheat and barley production is estimated to be 1.85 million MT and 0.035 million MT, an increase by 5.7 and 14.9 percent respectively compared to last year. It is worth noting that the wheat production has broken the last year's national record of 1.75 million MT. The 2011/12 edible cereal balance has set a record high 886 thousand MT surplus, equivalent to 17.2 percent of the total requirement.

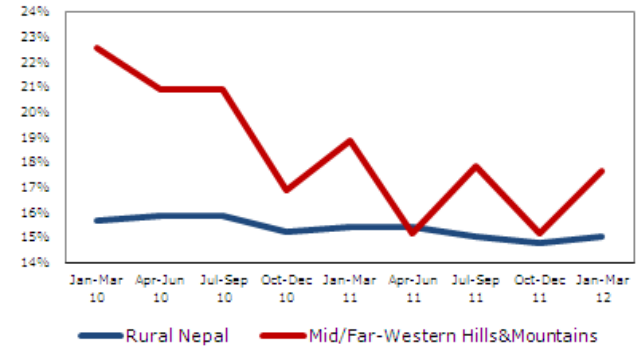
Food Security Overview

Food Security Cluster	Current Qtr.	Change over past quarter	Next 3 month outlook	Next 6 month
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 (MFWHM)	0.5 mln	→	→	→

Classification key See page 3 for more detailed classification explanation

- Food secure
- Highly food insecure
- Humanitarian emergency/ famine
- Moderately food insecure
- Severely food insecure (see page 3 for detailed explanation of food security classification)

Figure 1. Percentage of food insecure population



A seasonal deterioration of food security situation is reported in the MFWHM regions due to agricultural lean season. Overall the good summer production in 2011/12, regular market food supply, as well as incomes from cash crops, remittance, wage employment opportunities created by GoN, I/NGOs and WFP food assistance helped to maintain the food insecurity situation at normal to moderate levels.

The situation is expected to improve in most areas during the next quarter. The main winter crops of wheat and barley will be harvested in April-June, and the production outlook is positive. In-migration will take place at the time of the winter crop harvesting and the hand-carry remittances will help replenish the household food stock.



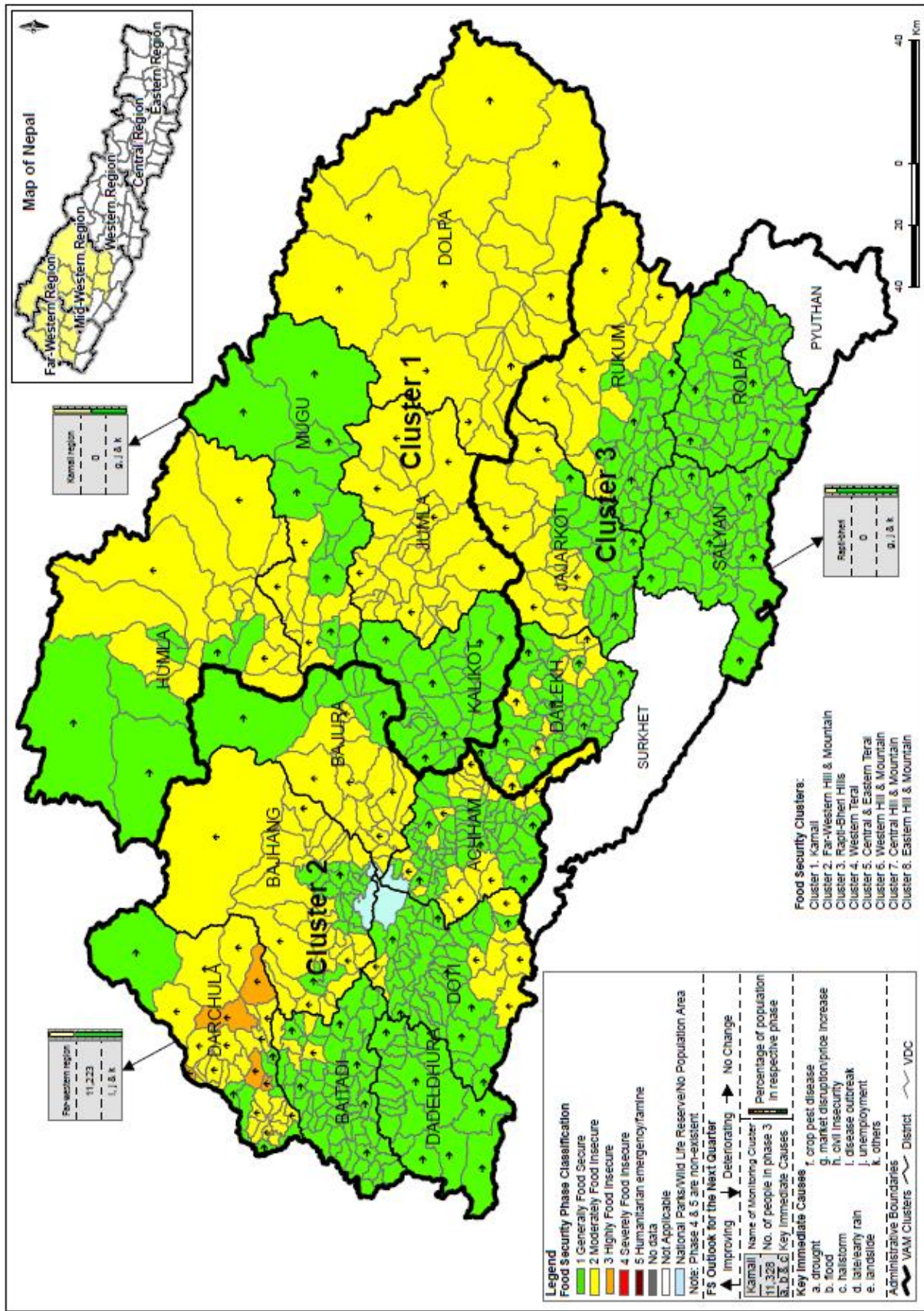
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Food Security Phase Map

Nepal Food Security Map

January–March, 2012

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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Food Insecure Population

Food Insecure Populations

Across the Mid and Far Western Hill and Mountain (MFWHM) districts, the population suffering from food insecurity is estimated to be 0.49 million. The number has increased compared to the previous quarter though it is slightly less than the same time last year.

In Darchula, five VDCs (Dhaulakot, Sitola, Guljar, Dhuligada and Ranisikhar) are classified as “highly food insecure (Phase-III)” and a total of 11,223 people in those VDCs are facing the high level of food insecurity (Darchula NeKSAP District Food Security Network). At this level of food insecurity, households are coping with consuming less preferred food, heavy borrowing of food/cash and selling of small livestock.

Food security phase classification:

- **Phase-I “Food Secure”** – household has secure access to food.
- **Phase-II “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-III “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-IV “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-V “Humanitarian Emergency”** - there is no opportunity for the household to gain access to food, leading to starvation if no intervention is made.

Impact of *Bandhs* on Food Security:

Various political parties and ethnic organizations have called a series of *Bandhs* across the country to pressurize the government to include their demands in the new constitution. During an effective *Bandh*, markets are closed, businesses/industries shut, and children stay home from school. A day's *Bandh* is said to cost billions of Rupees to the national economy (FNCCI, 2012).

Bandhs affect people's livelihoods and food security and among others, the poorest are often the worst hit. Markets are closed, limiting availability of food at household level; industries/businesses are shut, resulting in no wage of the day for wage labours; food prices go up due to limited supply, hindering those households with low purchasing power from accessing food. Poor households spend more than seventy percent of consumption on food (“NLSS-III Statistical Report”, CBS, 2011), and they mostly rely on daily wage labour as an income source (NeKSAP Household Survey, WFP 2011).

In view of the increasing frequencies and duration of *Bandhs* across the country, the WFP field surveillance team has collected information about impacts of *Bandhs* with special focus on Far Western Region where *Bandhs* have been effective for a prolonged period of time during April/May 2012.

In the Far-Western Hill and Mountain districts, market food stocks declined. Shortage of essential commodities such as medicines was reported. Prices of basic food items such as cereals and oil went up by Rs.2 to 10 per kg and liter respectively. Daily wage workers of loading/unloading from trucks and tractors were unemployed. In Terai districts, construction workers were obstructed from their work due to stagnation in construction activities.

The affected population cope through consuming more wheat that is recently harvested. For those who are near the Indian border, buy basic commodities from Indian markets (e.g. Darchula, Baitadi, Banke, Bardiya, Kanchanpur and Kailali districts). It is reported that Indian traders in the border markets have increased the price of rice by Rs. 5 per kg due to an increasing flow of Nepalese consumers. In Bardiya and Banke districts, vegetable farmers were compelled to sell their products at low prices due to a paralyzed transportation. The price of tomato in Nepalgunj, for instance, was some Rs.40/kg, whereas in the rural areas adjacent to Nepalgunj the price was about Rs.15/kg. Likewise retail prices of pulses and edible oils increased by 10-25% (broken lentil price increased from Rs.80 -100/kg.) in Kathmandu.

Prolonged/frequent *Bandhs* are likely to result in food shortage, especially in the hill and mountain districts where local production does not meet the food requirement, relying on food imported from Terai markets. The political instability is likely to continue which might increase the incidences of *Bandhs*. Therefore the impact of *Bandhs* on food security will be monitored closely in coming months.



Empty road at Attariya chowk (east-west highway), Kailali, May 2012

*The food insecure population estimates are based on the 2011 population census. 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=ZGVmYXVsdGRvbWpbnxuzWZvb2RzZWN8Z3g6M2M2NzA4NmRiM2ZlM2M3MQ>



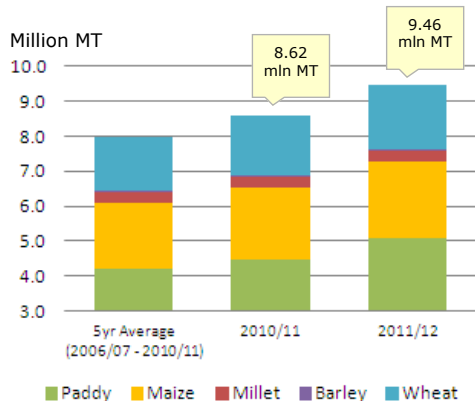
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Key Food Security Factors

Crop production

Domestic Situation

Figure 2. Cereal Crop Production in 2011/12



A record-high cereal production with the total output of 9.5 million MT, owing to a timely rainfall in the monsoon and winter during plantation and growing periods, coupled with a timely distribution of high yield varieties of seeds and fertilizer.

		Million MT	% change from last yr
Summer crop	Paddy	5.07	13.7%
	Maize	2.18	5.4%
	Millet	0.32	4.1%
Winter crop	Wheat	1.85	5.7%
	Barley	0.03	14.9%
	Buckwheat	0.01	13.4%
Total		9.46	9.8%

2011/12 Edible cereal balance:
Surplus 17.2% against the requirement (886,307 MT)
 2010/11: 8.7% (443,057 MT) surplus

Source: Ministry of Agriculture Development, May 2012

The 2011/12 winter crop production is good overall: the production of wheat hit record high 1.85 million MT, up by 5.7 percent compared to last year. In pocket areas, however, crop losses have reported due to hailstorms, insufficient rainfall and crop diseases. A Joint MoAD/WFP/FAO Crop Mission took place in April 2012 to assess the situation of the 2011/12 winter crop production. For details, please refer to the forthcoming publication "Crop Situation Update June 2012".

Map 2. Winter crop production outlook (Source: NeKSAP DFSN)

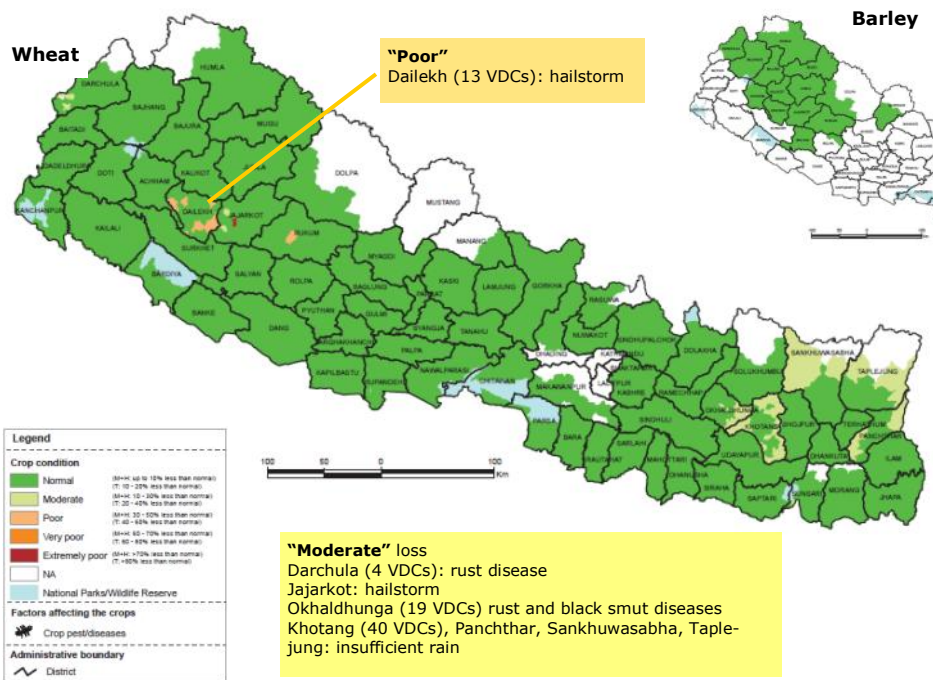
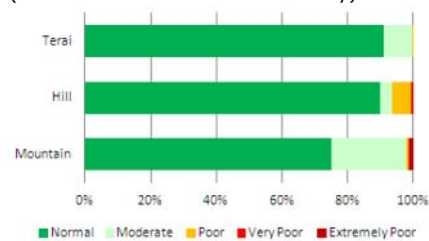


Figure 3. Wheat production outlook, Household perception by eco-belt (Source: NeKSAP Household Survey)



Map 3. Rainfall, January-March 2012 (Source: NeKSAP DFSN)



Regional situation

The 2012 wheat crop in Asia is estimated to be favourable in the main producing countries such as India and Pakistan. India is expecting record high wheat production of 88.3 million MT, an increase of 1.6 percent compared to last year. India continues to ease its cereal export restrictions in view of its high level of cereal stock (Source: Crop Prospects and Food Situation, March 2012, FAO; Food Outlook, May 2012, FAO).

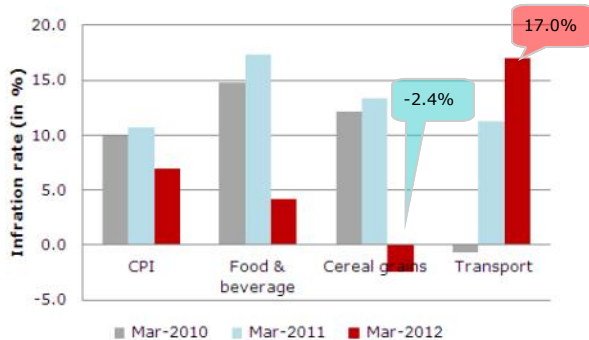


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Key Food Security Factors

Markets

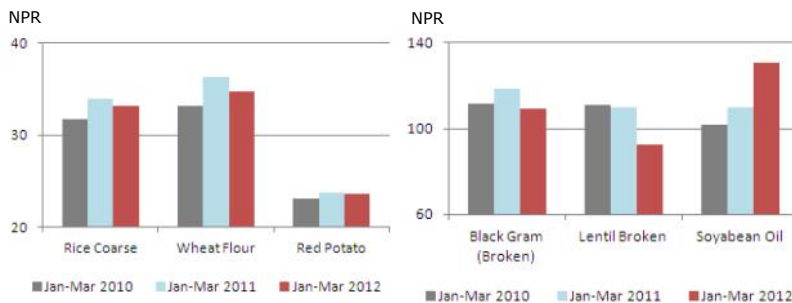
Figure 4. Inflation Trend (Source: Nepal Rastra Bank)



The year-on-year inflation as measured by CPI (Consumer Price Index) has remained low as compared to the same period last year (Figure 4), which is mostly driven by the declining trend of the price index of food & beverage. The price index of cereal grains has declined by 2.4 percent in March 2012 compared to an increase of 13.4 percent in the same period last year. In contrast to this, the price index of transport has increased by 17.0% during the same period due to the continuous rise of fuel prices.

Bumper harvest of 2011/12 summer crops, especially paddy combined with improved supply of food commodities across the country have led to food prices stable during the period of January to March 2012 (Figure 5).

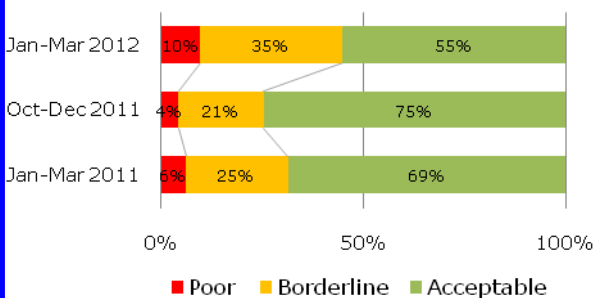
Figure 5. Staple Food Price Trend



The supply situation across the country has been reportedly normal. However, the continuous rise of fuel prices is the major concern due to its contribution to the rise of transport costs, thereby increasing food prices in the hill and mountain markets, where foods supplied from Terai markets play a significant role in the determination of commodity prices in these markets. Frequent occurrence of *Bandh* due to political instability is another concern, which is to be monitored closely by the NeKSAP in coming months.

Household food security

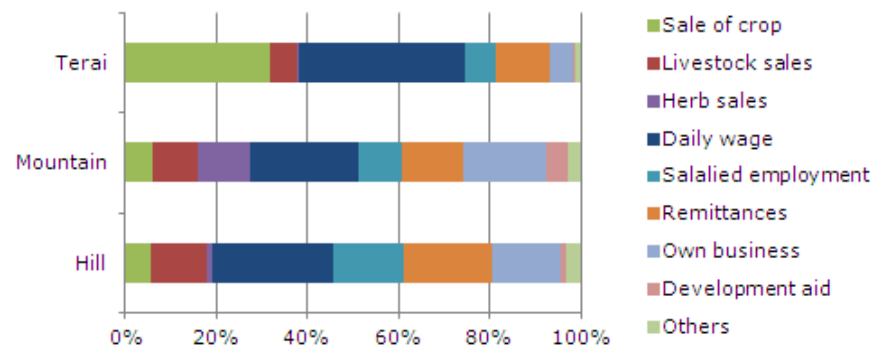
Figure 6. Food Consumption Group
(Mid and Far Western Hill and Mountain only)



In the Mid and Far Western Hills and Mountain districts, the percentage of households consuming inadequate diet has increased compared to the previous quarter. (Figure 6).

Daily wage labor, crop sales, remittances, salaried employment and private business were the main income sources during the reporting period (Figure 7). Contribution of wage labour increased while that of crop sales decreased compared to the previous quarter. About half of the surveyed households cited that they rely on single source of income and one-third rely on two sources.

Figure 7. Contribution of Income Sources by eco-belt (Jan-Mar 2012)



* 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=ZGVmYXVsdGRvbWFpbnuZWZvb2RzZW5kZ3g6NWVjYWE1M2E0ZjFkNjNlNQ>



Food security outlook

The food security situation is expected to improve during the next quarter as winter crops will be harvested and their production outlook is good in general. Seasonal migrants have started to return home from end March and April to assume the winter crop harvest and to plant summer crops. Their hand-carry remittances will contribute to improving household food security.

During April and May, income generating opportunities are expected to increase: household incomes from NTFP (Non-Timber Forest Products) collection such as *Yarchagumba* and sales of cash crops and livestock products, as well as tourism will increase; wage labour opportunities from development activities will pick up as the government fiscal year closure approaches.

Pre-monsoon rainfall had remained favourable in end March-April, which helped planting the maize and spring paddy timely. However, kind of dry spell has prevailed in the month of May across the country, and this has affected the growth of maize. The production outlook is not promising.

The continuous political instability may affect livelihoods, especially among the poor: *Bandhs* may cause an increase of food prices, lack of food supply in markets; reduction in wage labour opportunities.

Monsoon rains may disrupt regular food supply in remote areas, limiting people's access to food from markets. The Mid and Far Western hill and mountain districts are particularly vulnerable to seasonal landslides.

Detailed district food security information

The Nepal Food Security Monitoring System (NeKSAP) currently monitors 72 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 954 households (Hill:398 households; Mountain:238 households and Terai:318 households) during January-March 2012 as a part of the Nepal Food Security Monitoring System (NeKSAP), (ii) NeKSAP District Food Security Network Meetings across 17 districts and other information sources as referenced.



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