Despite recent fall in staple food prices, food access remains very low

KEY MESSAGES

- While important information gaps remain, a significant population in Yemen is in Emergency (IPC Phase 4), especially households trapped by the conflict or whose access to markets for food and for earning income from labor remains constrained. Although life-saving assistance is being provided by humanitarian agencies, the scale of current humanitarian needs remains far beyond response capacity.

- As commercial imports and humanitarian imports have increased, including through increasing use of the port at Al Mukalla, trade has helped stabilize supply. As a result, staple food prices fell in many areas. For example, in Sana’a, the price of wheat flour fell 20 percent from mid-November to mid-December. However, as most sources of income remain constrained, food access has not significantly increased.

- In Ta’izz, despite some expanded humanitarian access in November and December, over half the population was displaced. The displaced and their hosts have limited income to purchase food at prices well above pre-conflict levels and little own-produced food. In both urban and rural areas, many households are unable to purchase adequate quantities of food and are in Emergency (IPC Phase 4).

CURRENT SITUATION

- During November and December, the conflict has continued. The areas most affected by the conflict include Ta’izz, Ma’rib, Al Jawf, and Shabwah Governorates. Conflict prevents many households from accessing retail markets for buying food or labor markets for earning income. In many cases, physical access to markets, water, electricity, health services, and even locations to receive remittances or conduct other financial transactions is limited. As a result, most areas of the country remain in Crisis (IPC Phase 3) and Emergency (IPC Phase 4) due to high prices and low food access.

- The December Task Force Population Movements (TFPM) report estimated that the number of internally displaced persons (IDPs) was approximately 2,509,062, a nine percent increase since October. The highest numbers of displaced individuals recorded this month were in Ta’izz where 392,429 people, a bit over half of the population, were internally displaced. High levels of displacement were also found in Amran, Hajjah, Sana’a, Abyan, Al Bayda, and Sa’dah Governorates. The displaced continue to have limited access food and income, and they place additional burdens on the financial, water, food, and other resources of the host community.

- Imports increased further in November and December. Al Mukalla, Al Hodaydah, and Aden Container Terminal (ACT) all have had more activity since October. The port of Al Mukalla is becoming for a major location for importing, supplying

Figure 1. Projected food security outcomes, December 2015

Source: FEWS NET

Figure 2. Projected food security outcomes, January to March 2016

Source: FEWS NET

This map represents acute food insecurity outcomes relevant for emergency decision-making. It does not necessarily reflect chronic food insecurity. To learn more about this scale, click here.
areas of the country traditionally supplied by other ports. According to the Yemen Snapshot on Shipping and Food Imports, commercial food imports increased by 25 percent from September to October, and by November, they were nearing pre-crisis levels. While food import volume has increased, fuel importation remains more constrained, and increasingly, fuel is only available on the parallel market at rising prices. The port at Mokha remains closed, and Al Saleef port is still not operating well.

- As a result of increased imports and more trade, the availability of staple foods on markets has increased. As a result of normalizing supply, staple food prices have fallen. For instance, the price of wheat flour fell 20 percent from mid-November to mid-December in Sana’a. However, staple foods are least available in areas of active conflict, especially Ta’izz. There, the mid-December wheat flour price was 90 percent higher than the five-market, pre-crisis, February average. Trade also remains highly restricted in the South. The informal exchange rate varied in different areas of the country, but on many parallel markets, it had depreciated against major international currencies used for trade.

- Water prices were mostly stable from October to December, according to FEWS NET data collected in 10 governorates.

- Humanitarian assistance, assistance from family and neighbors, and loans are on the rise as key ways to acquire food both for poor households and for IDPs, according to recent small-scale, non-representative surveys conducted by FEWS NET in November/December. World Food Program (WFP) distributions increased in Ta’izz town to reach 53,000 people by December with one-month rations. However, humanitarian access remains constrained in Ta’izz, and assistance did not reach all districts of the city.

- Remittances remain an important source of income. In Sa’dah, the numbers of open service points to receive remittances was higher in November/December than in previous months, but in Ta’izz, it was reported that banks were running out of cash, limiting access to case for households who receive remittances, households who receive formal salaries, and traders.

- In Ta’izz Governorate, both airstrikes and the ground war have remained very active since July. Limited commercial supplies of fuel, food, medicine, and other goods are reaching the town, leading to the highest prices in the country.

UPDATED ASSUMPTIONS

Most assumptions used in the October to March 2015 Food Security Outlook remain unchanged.

PROJECTED OUTLOOK THROUGH MARCH 2016

- Continued high fuel prices are likely to further increase transaction costs for trade, which, along with likely continued fall in the value of the Yemeni rial (YER) against other currencies used for trade, will help drive further increases in staple food prices. High fuel costs also raise the amount households must pay for cooking fuel. High fuel prices are also likely to reduce planted area as seasonal agricultural cultivation starts in February, and planting is a key source of income for many poor households. This will be despite a fairly typical expected timing of the start of the rainy season in March in the Central Highlands and Southern Uplands. As households continue to sell additional livestock, seek out migratory labor opportunities, and sell more firewood between now and March, many will slowly run out of opportunities to earn enough income to purchase food, even when employing coping mechanisms such as selling more livestock than usual, spending savings, and selling productive assets. As poor households consume less food over time, many households are likely to move from Crisis (IPC Phase 3) to Emergency (IPC Phase 4) between now and March.

- Displacement is likely to continue, despite some recent increase in humanitarian access to Ta’izz town. Conditions for the displaced will vary based on location, depending on access to labor markets, support from the host community, access to humanitarian aid, and the functioning of local markets. However, in the areas most isolated and cut-off from trade by the conflict, many of the displaced are likely to enter or to remain in Crisis (IPC Phase 3) or Emergency (IPC Phase 4) through at least March.

- In Ta’izz Governorate, more households are likely to move into Emergency (IPC Phase 4) as income from the recent harvest, labor income, income from livestock sales, and social support all remain highly constrained. With a high number of displaced people, and continued difficulty trading, many households will likely continue to have large food consumption gaps between now and March and beyond.