GUATEMALA Food Security Outlook January to June 2010

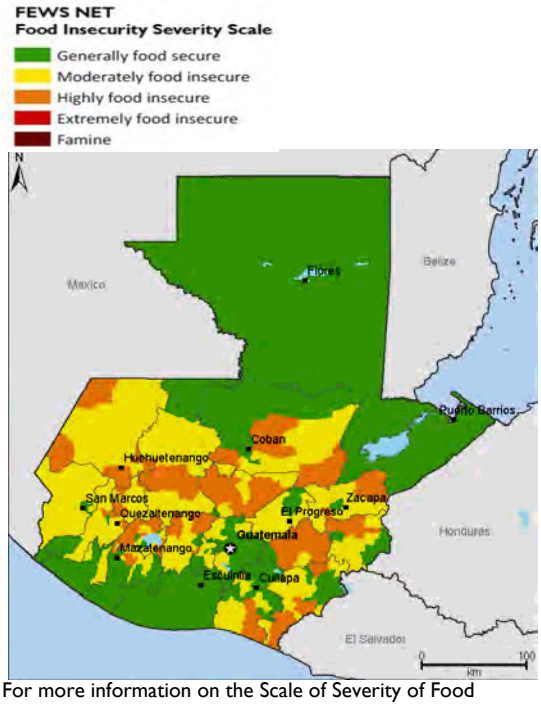
- High demand for unskilled labor in agroexport activities such as coffee, sugarcane, and cardamom production will facilitate food access through February and March. As these activities end, and households run out of food reserves, food security will deteriorate.

- A period of cold snaps and frosts began in November. There are reports of some damage to crops, especially vegetables — an important source of labor in the west. Such damage is normal for this time of year.

- Due to the continuation of El Niño, there is a high probability of an irregular beginning to the rainy season in April and May, which could affect the *primera* harvest of basic grains, and even put the August/September harvest at risk.

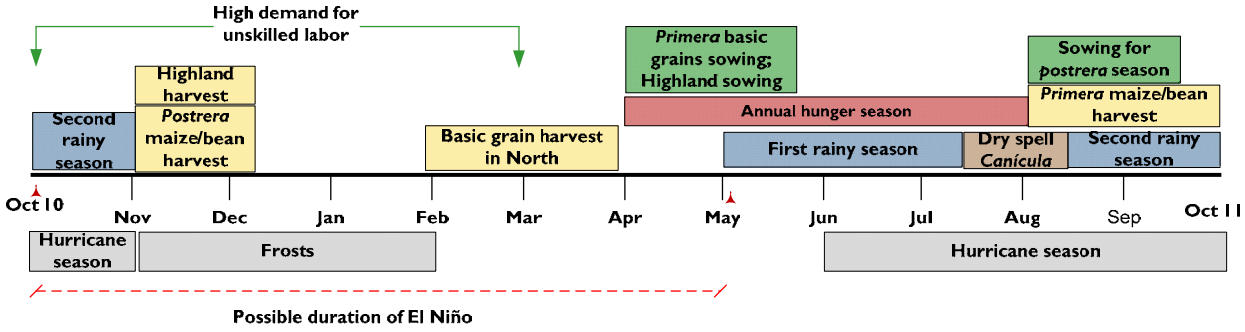
- The situation in the north is normal. Although there were reports of damage caused by the "Mancha de Asfalto" fungus, a monitoring trip conducted by MFEWS found that the reports are false. Large producers in the region had a very good *primera* harvest and predict that the second harvest will be similar, especially for beans, which is the predominant crop for this season until March/April.

Figure 1. Current estimated food security conditions, January 2010



For more information on the Scale of Severity of Food Insecurity, refer to: www.fews.net/FoodInsecurityScale
Source: *MFEWS*

Seasonal calendar and critical events



Source: *FEWS NET*

Food security overview

In the last months of 2009, some departments in the east reported an increase in the number of cases of, and deaths from, acute malnutrition in children under five. This situation arose as a result of the vulnerability facing the region, due to high

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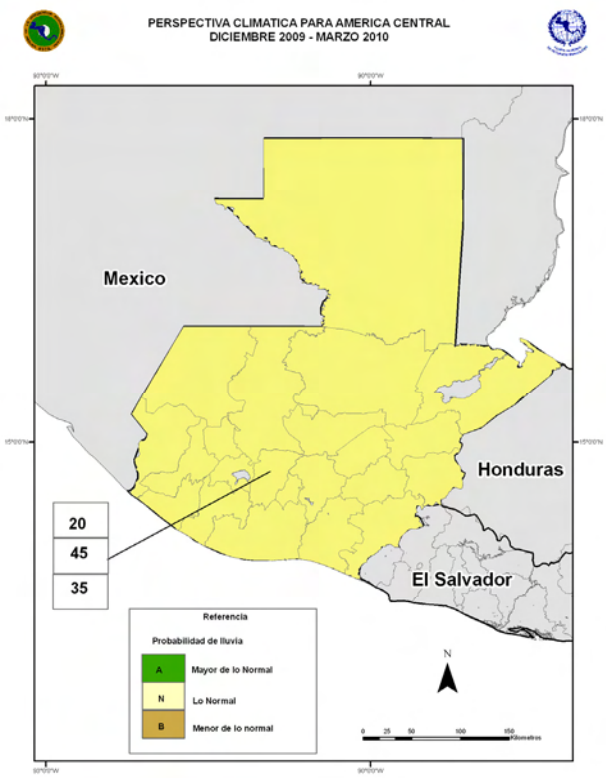
poverty rates and chronic malnutrition, and a series of events dating back to 2008. The situation worsened with irregularities in rainfall during 2009. In some municipalities in the east, the staple cereal crop losses in the first harvest were 50 percent, while figures reported during the second harvest were of 70 to 100 percent. These studies, however, were based on sampling rather than on a full assessment of the situation across the region. In this regard, the government has declared a State of Calamity to accelerate actions in response to the crisis, and to this date has provided food to 56,000 households. It is currently taking steps to extend this support for seven months more, with support from the United Nations System.

During 2009, the annual hunger season in the west arrived early. Irregularities in rainfall also affected this area; losses and reduced crop yields for staple cereals were also observed. This area has only one harvest per year, between November and December. This means that farmers in this region do not have the option of a second planting or replanting to compensate damage caused by the lack of rain. Consequently, staple cereal reserves will likely be consumed in households early this year also, until late February. This region includes the areas with greater receipt of remittances, which suggests that its reduction has mainly affected recipient households, which reduces the purchasing power of the population and investment in employment-generating activities, such as construction.

All this suggests that the food security situation in the west may be compromised in the following months. *Red Humanitaria (RED HUM)* has just concluded the field phase of a food security assessment in this region. It is important to point out, however, that at this time, the season of high demand for labor in agricultural activities, like the coffee and sugarcane harvests, are providing income for poorer households, so that food insecurity does not increase in the area, at least until February or March, when these activities conclude.

Figure 2. Climate outlook, December 2009 - March 2010



Source: *Central American Climate Forum*

The El Niño phenomenon was officially declared at the beginning of July, and is foreseen to continue developing and to hold, at least, until the first quarter of 2010. This will continue to affect the weather until March, with rainfall within normal to below-normal levels. The cold fronts season, which normally ends in February, has the potential to continue to affect the western areas vulnerable to frost, with an increase in respiratory diseases and burning of crops such as vegetables, which are sources of local employment in the area.

Most likely scenario (January – June 2010)

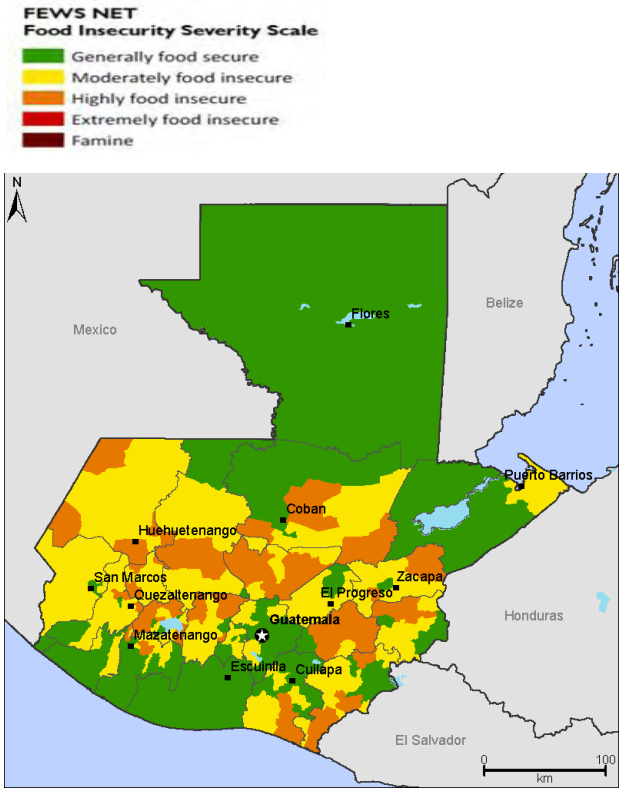
The most-likely scenario for the next six months is based on some of the following assumptions:

- The end of the season of high demand for unskilled labor in much of the country during February and March will reduce income-generation options for the purchase of food.
- Because the yields of staple cereal crops last year were lower, we would expect subsistence reserves of households to also be reduced, and conclude earlier than normal. This will cause the annual hunger season, which normally begins in March/April, and forces the poorest population to depend on the purchase of food, to start in February/March for the second consecutive year. Once the income of these households is reduced at the end of the sugarcane harvest and the harvest of other agricultural exports, these households will struggle to buy food, causing deterioration in their food security.

- The forecast of a continued El Niño until May or June may cause an irregular start of the rainy season in April/May, with deficient rainfall periods. This is important because the onset of rains leads to the first planting of staple cereals throughout the country by large numbers of subsistence farmers who do not have irrigation systems.

In the **east**, the food security situation is poor due to the reduction in reserves earlier this year (2008 harvest), losses of the first and second harvests of 2009, and the increase in incidence of respiratory and diarrheal diseases. Government support was scheduled to conclude December 2009. From this account, together with the UN System, the Government is planning to launch a request for resources from the international community to extend this help for seven more months.

Figure 3. Most likely food security scenario, January-March 2010



Source: *MFEWS*

Regardless of this initiative, other international cooperation projects, such as Action Against Hunger and USAID, through its NGOs (CRS, Save the Children, SHARE, and Mercy Corps), will be working as of the first half of the year in the area, although the exact coverage is yet to be established. The situation will start to become critical in the second half of the year, when demand for wage labor concludes. In addition, a reduction in household reserves causes the poorest households to be more dependent on purchase to obtain food. If food reaches the neediest families, demand for staple cereals in the market will not increase significantly compared to normal, so prices would not be expected to suffer a significant increase due to factors of supply and demand or by speculation.

Because forecasts indicate there is a high chance that El Niño will continue until May/June, it should be expected to affect the onset of the rainy season with irregularities. It is likely that irregular rains could start in April and stop in May, which could cause crop losses, as it is an important time for the amount of rain received during germination. Therefore, the first planting of staple cereals could fall behind, and even face decreases in the first crop yields, which usually are achieved between August and September. As a result of the seed loss in the previous cycle, caused by irregularities in last year's rainy season and high fertilizer prices, subsistence farmers will have difficulty obtaining agricultural inputs; this could also cause problems in the first harvest of basic grain crops. The government has appointed the Ministry of Agriculture, and not *ProRURAL* as last year, to be in charge of the distribution of subsidized fertilizers. However, since the budget proposed by the executive branch for this year was not approved, and last year's budget has been maintained, there may not be sufficient funds to increase coverage of the fertilizer program.

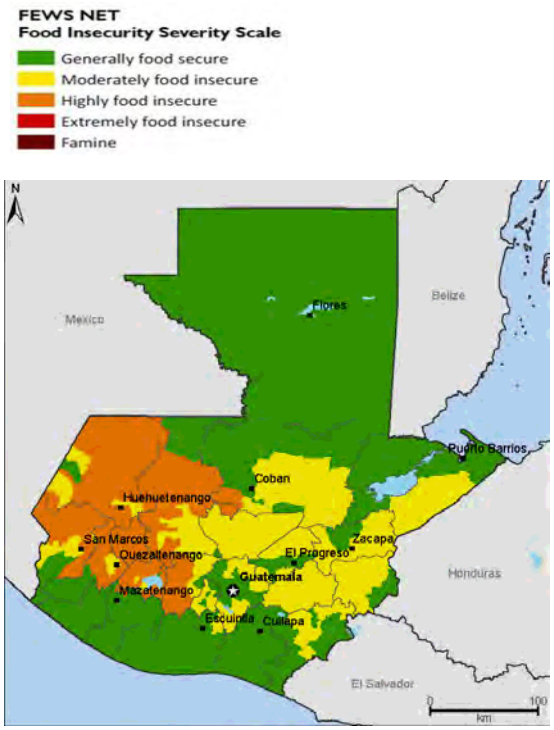
The food security situation in this region is stable, in spite of foreseen negative factors, due to the presence of government and NGO programs that help a great number of affected households. These actions include food distribution, food and nutritional education, production support, and health services.

In the **highlands**, the food security situation could be at risk if significant losses are reported for the single harvest of staple cereals, as a result of climatic irregularities this year, in addition to last year's low yields. During December, *Red Humanitaria* conducted an assessment of the food security situation in this region. Final results and conclusions are expected to be made public in February.

Sources of employment, although fewer than in other years (for coffee), will be a significant relief for households dependent on purchase until April 2010. After this date, sources of income are reduced considerably, affecting the purchasing power of these households until November/December, when the next harvest takes place. The latter should be monitored, as the El Niño phenomenon will be present until the onset of the rainy season and could cause rain

irregularities, which has the potential to affect crop yields. Access to agricultural inputs is also committed in 2010 – they still have not defined the distribution mechanism, the amount to be distributed or the amount of the subsidy – which could cause further yield decreases. The reduction in the amount and frequency of remittances received in this region also reduces people's economic capacity to buy food and to stimulate the market through activities such as construction.

Figure 4. Most likely scenario, April-June 2010



Source: *MFEWS*

The western region is particularly deficient in its staple cereal production, even in a normal year, so it depends on surplus areas for its supply. These areas include the south coast, southern Petén and the North Transversal Corridor, and parts of the eastern region, where large producers, especially of maize, have more resources to deal with eventualities such as lack of rainfall. The western region also has trade flows coming from Mexico and of imports, like beans from China. This dynamic is determined by the prevailing prices at the time of the transaction. Thus, it is expected for grain availability to be normal for this region.

The situation in the **north** of the country is normal. There have been reports of some damage caused by the 'Tar spot' fungus, but field monitoring conducted by MFEWS found it to be false. Large producers in this area had a very good first harvest and expect the second to be very good as well, especially for beans, which is the dominant crop for this season until March/April. These households will have income from the sale of unskilled labor in the cutting of coffee, cardamom, and sugarcane, and then begin a period where there is less job availability. Subsistence farmers will face difficulties in next year's first planting due to possible irregularities in the onset of the rainy season as a result of El Niño, and a reduction in access to fertilizers, which has the potential to cause lower yields than normal.

The lack of rainfall during the rainy season of 2009 will cause a nationwide reduction in the availability of drinking water for the next six months, but particularly the first quarter. It includes the onset of the dry and warmest season of the year. This situation could cause an increase in the incidence of diarrhea by drinking contaminated water and vector-borne diseases like dengue; last year, above-normal incidence rates were reported in some departments.

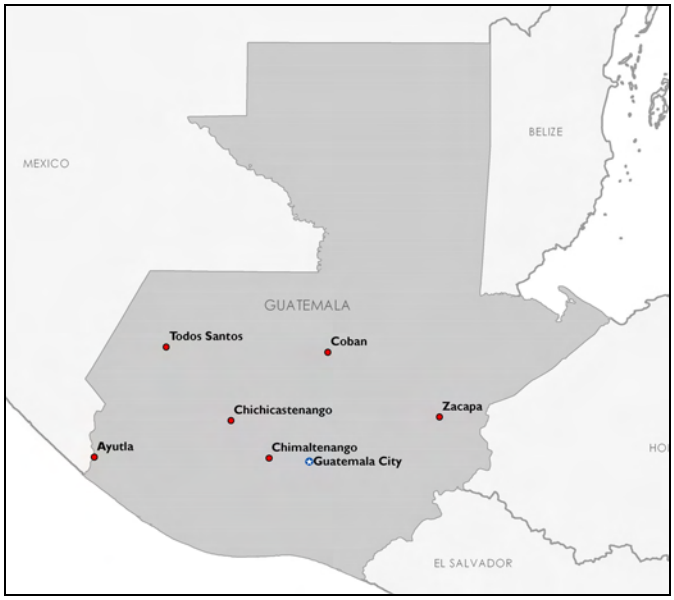
It is essential that the first harvest of staple cereals in 2010 be a good one throughout the country, so the poorest households do not see a further deterioration in food availability. This requires prioritizing timely delivery of inputs, such as seed varieties and fertilizer suited to weather forecasts. The delivery of subsidized fertilizers should be timely and geared to those who need it most, although that is unlikely to happen. In addition, the government must constantly monitor weather forecasts and transfer this information to the public, to make decisions on agricultural activities in an informed manner.

Table 1. Events that could change the food security outlook

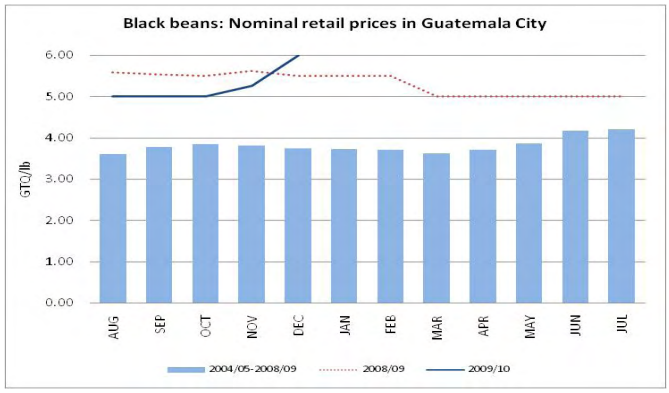
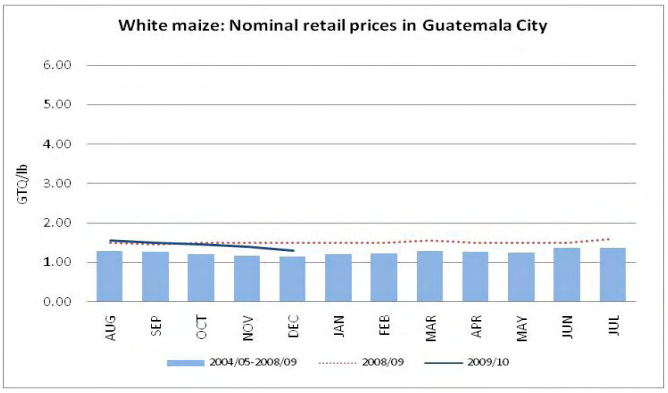
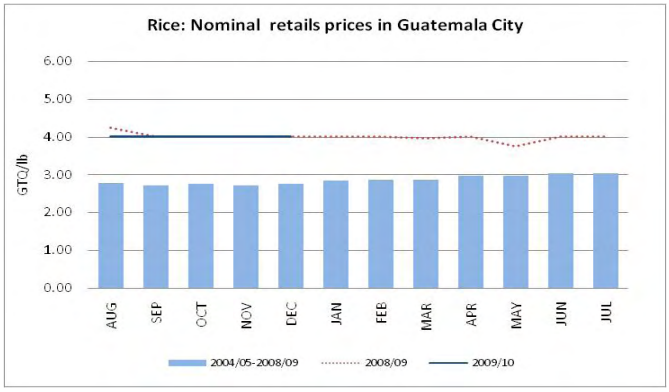
Geographic Focal Area	Possible events in the next six months that could change the most-likely scenario in this area	Impact on food security conditions	Probability *	Key variables to monitor
The whole country	Regular start of the rainy season	It would improve the prospects for the first harvest, and thus the availability of grains in households and markets, which in turn could help reduce their price.	Very unlikely	Records and rainfall anomalies

The whole country	Excessive rise in the prices of basic food, especially maize and beans	Difficulty in access to food due to a reduction in the purchasing power of the population.	Unlikely	Prices of staple cereals, basic food basket, and CPI
East	Delivery of food by the government and other institutions is sufficient and timely	This will prevent further deterioration of food security in the area.	Unlikely	Delivery of food and coverage

**** Probability levels***	***Description***
Unlikely	Could happen in the period of time if conditions change moderately
Very unlikely	Could happen in the period of time if conditions change significantly



Monthly prices are supplied by FEWS NET enumerators, local government agencies, market information systems, UN agencies, NGOs, and other network and private sector partners.

*NOTE: Historic prices only available for the capital city market. Data collection now starting in other markets noted on the map.

Maize is the main source of calories and protein in the Guatemalan diet. White maize is more heavily consumed than yellow maize, but the latter is preferred in some regions and used as poultry feed. Every Guatemalan household consumes black beans: as a protein source it is a particularly valuable complement to cereals in regions where households have limited access to animal products. Consumption habits are strongly linked to tradition and culture. Rice is mainly consumed in urban and peri-urban, but some rural households consume it as well. Guatemala is highly dependent on imported rice. The market in Guatemala City is the largest in the country and feeds the highest concentration of the population.