

## HAITI Food Security Outlook Update

March 2011

### Rising prices sustained by trader speculation and uncertainty

#### Key Messages

- The month of March marks the beginning of the lean season, which runs up until June. Very poor and poor households in shantytowns across the Port-au-Prince metropolitan area, the Southern peninsula, the Northwest, and the Artibonite will have difficulty meeting their basic food needs between March and June.
- Smaller reserves of winter crops, higher world market prices for grain, higher fuel prices, and sociopolitical unrest could drive up food prices all across the country between March and May. Very poor and poor households hard hit by last year's disasters will suffer the most from the rise in prices. However, a number of humanitarian organizations are working to ease these hardships through cash and food-for-work programs.
- Farmers are beginning to prepare themselves for a successful spring growing season. However, ongoing assistance efforts by the Ministry of Agriculture and its partners are still not to last year's aid flow levels. With prices for farm inputs on the rise and poor farmers unable to meet their food needs, production is expected to fall short of last year's figures which, according to estimates, were already below-normal. However, rainfall forecasts indicate a likely average harvest. Moreover, the government is covering the rising price of oil.

#### Updated food security outlook through June 2011

Haiti depends on imports for close to half of its food supplies to feed its population. Nearly 80 percent of all rice, which is the staple of the Haitian diet, is imported. Rises in international market prices are affecting prices on local markets. Prices for imports such as oil, grain, and sugar are approaching April 2008 levels during the hunger riots. As projected in the outlook for January through June, prices will continue to rise until the next round of harvests in June due to the extremely small winter harvest. Food reserves are already running extremely low. Imports clearly account for the majority of supplies on most markets in the North and Northeast. The beginning of the lean season, coinciding with the end of the bean, yam, and sorghum harvest, is another factor to consider. All these factors will draw down reserves and tighten food supplies. Moreover, the ongoing election process could lead to unrest, slowing the trade in commodities.

Farmers are beginning to prepare for the spring growing season. Certain parts of the country are already getting beneficial rainfall. However, the high cost of seeds and labor could delay the planting of crops, resulting in a production shortfall.

The Haitian government is covering rises in international oil prices with 2.5 billion gourdes worth of subsidies for this fiscal year. These subsidies have helped stabilize fuel prices at the pump as well as transportation costs. However, this policy

*This report is an update of the January 2011 FEWS NET Food Security Outlook assessing food security conditions in Haiti through the end of June 2011. The next Outlook report for the period from April through September 2011 will be released in April.*

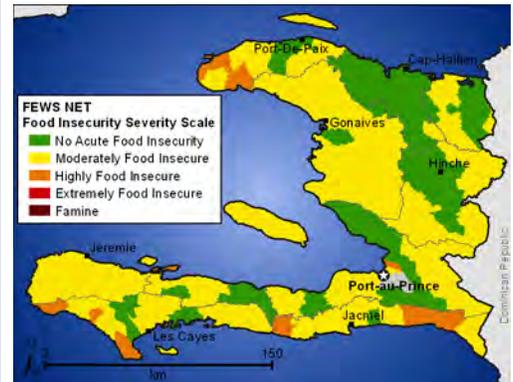
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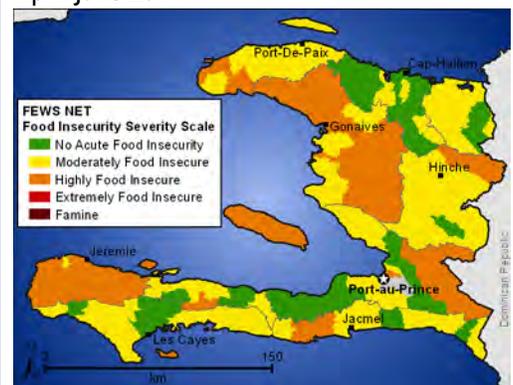
[www.fews.net/haiti](http://www.fews.net/haiti)

**Figure 1.** Current estimated food security outcomes, March 2011



Source: FEWS NET

**Figure 2.** Most likely food security outcomes, April-June 2011



Source: FEWS NET

For more information on FEWS NET's Food Insecurity Severity Scale, please see:

[www.fews.net/FoodInsecurityScale](http://www.fews.net/FoodInsecurityScale)

could change as of the beginning of May, with the installation of a new government, particularly if world market prices continue to increase.

The electoral crisis, which triggered violent demonstrations in December resulting in losses of income for the poor, has abated since the announcement of the final election results in February. This has helped improve employment opportunities, particularly in the construction sector and cash-for-work programs clearing rubble from the Port-au-Prince metropolitan area. However, the second round of run-off elections scheduled for March 20<sup>th</sup> could potentially cause an economic slowdown, depriving households of their sources of income. Sporadic and, at times, violent demonstrations can be expected until the inauguration of the new elected President on May 14<sup>th</sup>. Very poor and poor households with no food reserves will face a deterioration in their livelihoods during this period. They will be obliged to resort to survival strategies such as eating poorer-quality foods.

Efforts mounted by the Ministry of Public Health and its partners have substantially reduced the prevalence of cholera in all parts of the country. According to figures supplied by the European Union Humanitarian Aid Department (ECHO), the mortality rate dropped from 1.8 percent in January to 1.6 percent by February 22<sup>nd</sup> of this year. However, there are still large numbers of people affected by the cholera epidemic in remote areas, though less than in November and December of last year. Different stakeholders such as farmers, fishermen, middlemen, and restaurant operators who lost income as a result of the cholera outbreak are beginning to regain their confidence. Fishing activities and fish and seafood consumption are nearly back to where they were before the outbreak, except in areas hit by Hurricane Thomas, which are still unable to replace lost fishing equipment. This is giving fishermen a chance to earn enough income to meet their food needs. With the normal increase in fish and seafood consumption during Lent, this industry should be able to recover in most affected areas.

#### **Port-au-Prince metropolitan area**

Port-au-Prince was the scene of numerous street demonstrations but, contrary to expectations, there was no violence. Prices for products such as imported rice and black beans, which had been steadily rising since December, began falling in February due to larger market supplies. In contrast, prices for other items like wheat flour, cooking oil, and meat are on the rise. Sugar prices are stable, but have been above the five-year average since December of last year. However, with the beginning of the spring growing season, farmers will be putting heavy pressure on crop reserves in March and April as a source of seeds for planting crops. This will drive up prices, which will continue to steadily rise until the next round of harvests in June and July. The March 20<sup>th</sup> elections and increases in international market prices for fuel and grain could lead to further increases.

As mentioned in the outlook for January through June, very poor and poor households with limited incomes will be unable to meet their food needs and procure increasingly costly goods and services between March and May.

#### **Southern Peninsula**

The Southern peninsula, which is generally regarded as a major crop-producing area, is still feeling the effects of Hurricane Thomas. Shortages of certain food crops such as breadfruit and bananas are driving up prices for grain and beans. Current draw-downs of food reserves to meet demand for seeds are exacerbating this problem. Prices for certain items such as black beans and corn are already on the rise with the spring growing season getting underway. The price of corn, which had been selling for 30 gourdes for a six pound sack, is up to 75 gourdes, with black beans selling for 175 gourdes up from 150 gourdes in January. Conditions in this area could remain unchanged or possibly deteriorate between now and the next round of harvests in June.

Cash and food-for-work programs providing jobs for nearly 7,500 residents of Grande'Anse on a rotating basis are one of the main sources of income for the poor. These programs, scheduled to end in March, are paying laborers a daily wage of 200 gourdes. Prices for certain animals, such as goats, are falling, most likely due to increasing supplies. More and more trees are being cut down in certain municipalities in Grande'Anse such as Corail. There will be a steady deterioration in conditions, driven by rising prices for imports and growing shortages of local products.

Very poor and poor households in coastal areas of the Southern department will be moderately food insecure between March and May, with the same group of households in Grande'Anse expected to be highly food insecure. In fact, Grand'Anse was harder hit by Hurricane Thomas, while the south, with its small-scale irrigation schemes, had a better winter harvest.

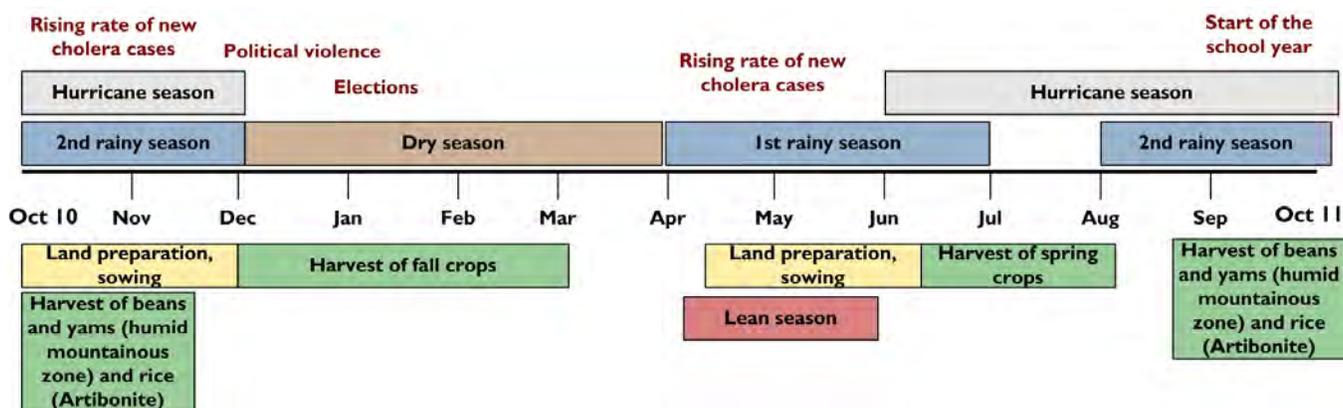
**Northwestern Peninsula**

After being hard hit by Hurricane Thomas, the Northwestern peninsula is now in the throes of a drought. This area had a poor winter growing season and the levels of food reserves are very low. Market supplies consist mostly of imports. As in other parts of the country, prices are rising and will continue to climb until the next round of harvests in July. Migration, the cutting of trees for charcoal production, and sales of livestock are the main sources of income for the poor. Very poor and poor households will be food insecure throughout the month of March and beyond into the month of June.

**Artibonite**

The price of the popular variety of rice grown in this area (TCS-10) rose from 85 to 100 gourdes. The rice harvest, scheduled for April, is expected to be poor (20 to 30 percent smaller than usual) and will have very little effect on current trends in prices. The supply of labor is starting to improve, but the cost is still high, up from 100 to 125 gourdes. Conditions in the Artibonite Valley are normalizing, but are still critical in mountain areas where local residents have been severely hurt by the cholera outbreak and the drought. Residents of Anse-Rouge will also be facing hardship conditions after the loss of their last harvest. Poor households in this area will be highly food insecure.

**Seasonal calendar and critical events timeline**



Source: FEWS NET