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Afghanistan Food Security Outlook Update — March 2012

2012 irrigated crop harvest likely to be average to above average

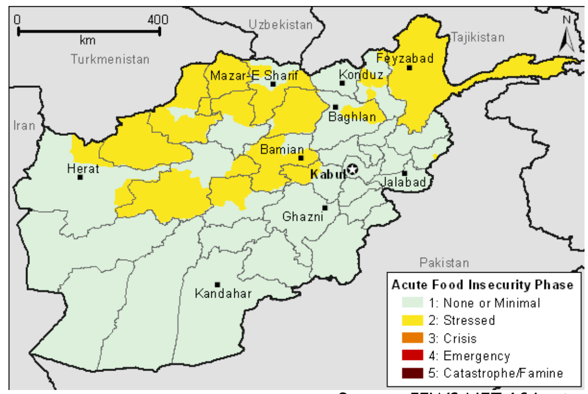
Key Messages

- All livelihood zones will be emerging from the lean season by May due to seasonal improvement. Demand for agriculture and construction labor will increase. Labor wages will seasonally increase. Wheat flour prices will decrease. Milk production will resume.

- Afghanistan's 2012 irrigated wheat harvest is likely to be average to above average due to above average precipitation during 2011/12 winter.

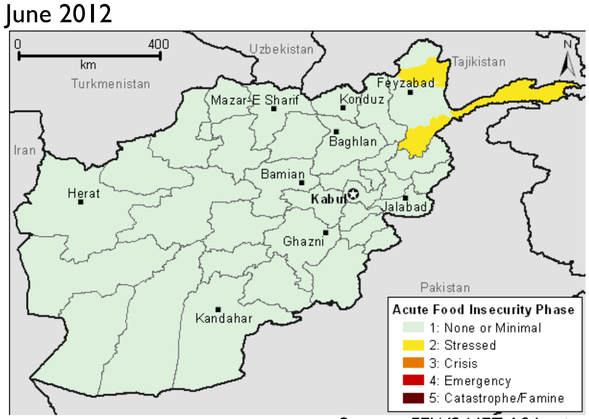
- Pakistan's 2012 winter wheat harvest is likely to be a record. Pakistan should continue to be able to export wheat and wheat flour to Afghanistan over the course of 2012. However, if Iran barters its oil with Pakistan in exchange for wheat or wheat flour, Afghanistan's wheat flour prices would likely rise due to competition for Pakistani wheat and wheat flour exports.

Figure 1. Current estimated food security outcomes, March 2012



Source: *FEWS NET Afghanistan*

Figure 2. Estimated food security outcomes, April to June 2012



Source: *FEWS NET Afghanistan*

For more information on FEWS NET's Food Insecurity Severity Scale, please see: www.fews.net/FoodInsecurityScale

Updated Food Security Outlook through June 2012

There have been no significant deviations from the assumptions developed in the February Afghanistan Outlook report. In late March, spring will begin. Afghanistan will emerge from the lean season as agricultural and construction labor demand rises, leading to an increase in casual labor rates. Livestock will give birth, and milk production will be increasing. As result of improved household access to milk and to labor wages for spring planting, households' dietary diversity will improve. Livestock will be returning to pasture instead of solely dependent on wintertime fodder stocks. Remote and higher altitude areas' access to markets improves, as roads reopen as the snow is cleared or melts.

The most important variables to monitor this time of year include food prices due to a seasonal dependence on market purchases particularly for the poor wealth group and climatological progress – most notably snow accumulation and the spring rainfall that is crucial for rainfed crops.

Following the poor wet season performance and subsequent failure of the rainfed wheat harvest and associated low labor demand in 2011, poor households' food security was expected to deteriorate to Crisis (IPC Phase 3) despite the application coping strategies in **northwestern Afghanistan** (Samangan, Balkh, Sar-i-Pul, Jawzjan, Faryab and Badghis provinces) during

This report provides an update to the February 201s FEWS NET Food Security Outlook for Afghanistan which estimated food security conditions from February 2012 to June 2012.

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the lean season. However, with assistance provided by the Afghan government, United Nations agencies, and non-governmental organizations (NGOs), households generally did not employ irreversible coping strategies, so they remained at ICP Phase 2-Stressed. With the spring season starting in March, food security outcomes are expected to improve to None or Minimal acute food insecurity (IPC phase 1) due to following factors:

- The daily labor wage rate is expected to seasonally increase by one hundred percent over the coming three to four months and reach its highest annual level during the harvest time in May and June. Labor wage elevation is a normal, seasonal trend during the spring and summer. Wages will also depend on expectations of an average harvest this year.

- Demand for labor is expected to increase as larger landowners try to cultivate more in reaction to good winter and spring precipitation. The anticipation of a good agricultural season tends to increase investment in agriculture, including in casual, agricultural labor by middle and better off households with larger landholdings.

- Wheat flour prices are expected to reduce further, particularly in anticipation of an average or above-average irrigated wheat harvest.

Early field reporting indicates this year will have a significant increase in area planted as farmers expect a good agriculture year due to above normal snowfall during the ongoing wet season which started last October and ends in May. Northwestern Afghanistan predominately depends on rainfed wheat production, therefore rainfall monitoring during April and May will provide a better estimate of this year's wheat harvest. At this stage, it is too early to accurately predict area planted, wheat yields, or the volume of the harvest, but the International Research Institute for Climate and Society (IRI) March forecasts average precipitation for the April-June period for all of Afghanistan.

After the loss of the rainfed wheat harvest last summer in **Northeastern Afghanistan** (Baghlan, Kundoz, and Thakhar provinces), households had adequate food consumption but somewhat unstable economic access to food due to the reduction of households access to their own wheat and earlier dependence on markets to supply wheat and wheat flour. This unstable access meant that poor households were Stressed (IPC phase 2). Despite the poor wheat harvest, these areas did have a good melon harvest last in July which provided some income for market purchases and prevented households from using irreversible coping strategies. By March, labor opportunities and daily wages will improve for poor households. Within the coming three to four months, the rate for a day of casual, agricultural labor could reach up to AFN 600 which will be nearly double last year's rate and enough to purchase the needed food for those households who don't have agricultural land. Early reports indicate that both irrigated crops and pasture conditions are seasonally normal. Households receive income from the sale of wheat, cotton, rice, and sesame in this region, so prices of these cash crops will be an important source of income from May to October.

Rainfed zones of the **central highlands** (Day Kundi, Bamyan, and Ghor), the **northeastern mountains** (Badakhshan), and **Western Afghanistan** (Hirat) were also affected by the poor rainfed wheat harvest in 2011. However, households in these areas primarily source food from the market rather than their own harvest from their small plots. Income from remittances and labor opportunities were normal, so as the prices for staple foods, especially imported wheat flour, were relatively stable, households maintained adequate access to market purchases. However, heavy snowfall this winter created avalanches in two villages of Badakhshan province. Up to 70 people were injured or died. By March, accessibility had generally improved, improving physical access to food from larger markets as roads open. For households which have been running low on their stocks, they should be able to reach markets from now until next winter, assuming no disruption of markets due to insecurity or military operations.

FEWs NET's field monitor in **southern Afghanistan** (Kandahar, Helmand, Zabul and Uruzgan) indicates that many farmers have generally positive expectations for the current agricultural season. Labor demand should be normal in this region due to the expected high planted area, a good standing winter crop, and good irrigation water availability. Currently, agricultural labor wages range from AFN 250 to AFN 300 per day. In the coming two months, labor wages are expected to reach up AFN 500. Increased expected poppy planted area is one potentially significant source of high labor demand. Poppy cultivation is more labor intensive than many of the horticultural crops grown in southern Afghanistan.

IDPs were displaced by conflict to Titakai, Shurabak and Amir Balend from other areas of Helmand province. For income, they have been boring tube wells and bringing new land under cultivation. Their primary source of food has shifted from relief food to their own production. Poppy, cotton, pomegranate, melon and grape harvests are important income sources in southern Afghanistan from May to November.

Eastern Afghanistan (Laghaman, Nangarhar, Kunar, Khust, Logar and Paktya) has predominately irrigated agriculture in contrast to the other regions. Wheat and maize are the dominant crops. The 2012 harvest prospects are good due to good expected availability of irrigation water in the water basins that serve eastern Afghanistan. Poppy cultivation has increased in southern Nangarhar province. As poppy is a very labor intensive crop, labor demand is expected to increase over the course of the season until the poppy harvest is completed in April.

Seasonal Climatological Progress

Above-normal rain and snowfall in the early months of the wet season (October-November) were followed by a month of dry weather conditions during December. The dry conditions raised concerns that this year would be the second consecutive poor wet season. With a dry wet season, the subsequent rainfed wheat harvest from May to September would likely be far below average. However, snowfall during the months of January, February, and March have eliminated these concerns, at least for irrigated crops, particularly as below-normal temperatures at higher elevations have prevented early snowmelt. Snowfall for most river catchments has been enough to ensure good irrigation water availability over the course of the 2012 growing season.

The dry spell followed good early wet season performance, which created good conditions to allow for winter wheat planting in November and December. Currently winter wheat remains in the dormancy phase. In comparison to last year, wet season snowfall is above normal all over the country with the exception of Kandahar province where accumulated precipitation is slightly below last year. Snow water equivalent (SWE) graphs indicate that in most catchments, the total precipitation level has reached its peak point earlier than the past several years . Temperatures continued to be the below average in February, which prevented rapid, early snowmelt. Both temperature and snowfall totals are expected to result in sufficient irrigation water availability over the course of 2012 agricultural season.

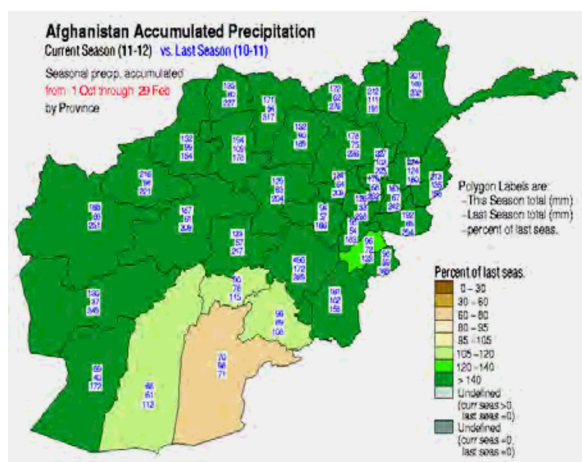
Market Prices

In February 2012, wheat flour market prices are near or slightly below the five-year average in most reference markets. In Kabul and Herat, prices are slightly above the five-year average. This reflects the smooth movement of wheat flour from Pakistan and Kazakhstan into markets across Afghanistan. Wheat flour prices are likely to decrease further in anticipation of the upcoming wheat harvest from May to September.

The Food and Agriculture Organization of the United Nations (FAO) forecasts that Pakistan's wheat harvest may be a record. Good availability of imported wheat and wheat flour from Pakistan should support market-dependent households' ability to afford wheat both for consumption and for stocking over the coming season.

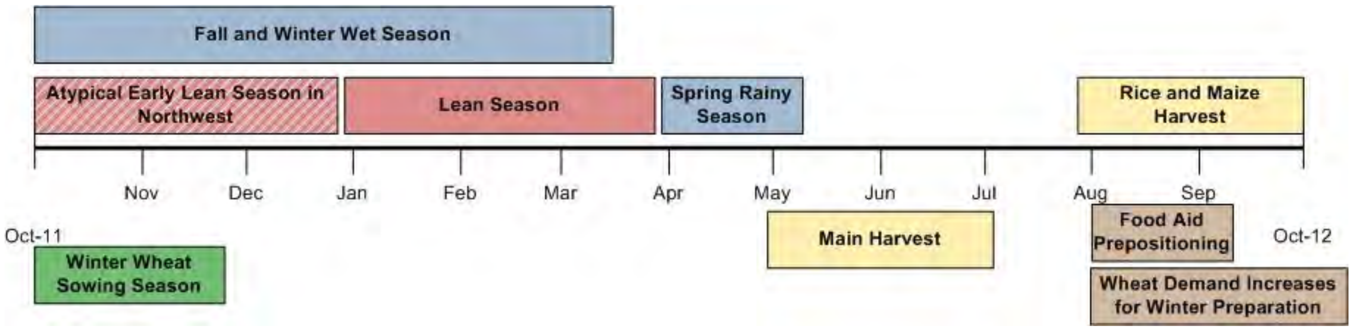
Some anecdotal reports indicate that Iran will likely barter oil with Pakistan for wheat and rice, given the financial embargo on Iran. This unusual demand for exports from Pakistan could increase wheat flour prices in Afghanistan. Subsequently, poor households' ability to purchase wheat flour would decrease.

Figure 3. Accumulated Precipitation for 2011-12 Agricultural Season Compared to 2010-11 Agricultural Season



Source: Ministry of Agriculture, Irrigation, and Livestock (MAIL) and Agromet project of USGS

Seasonal calendar and critical events timeline



Source: *FEWS NET Afghanistan*