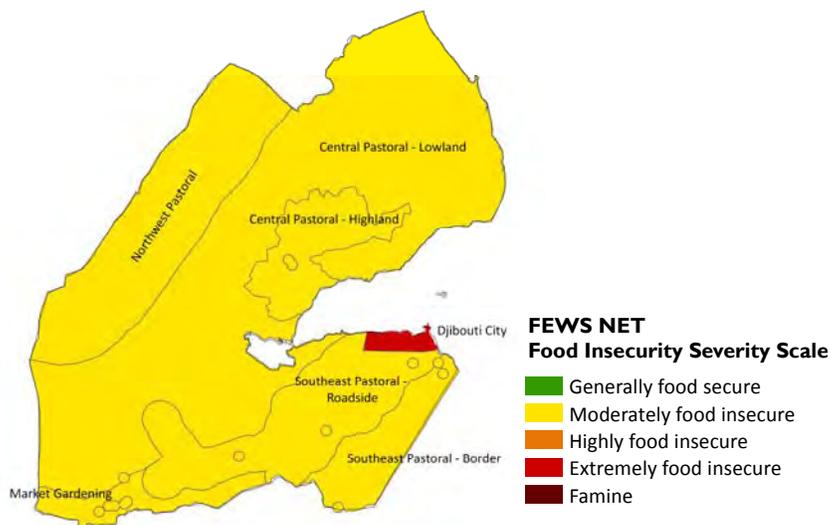


DJIBOUTI Food Security Outlook

January to June 2009

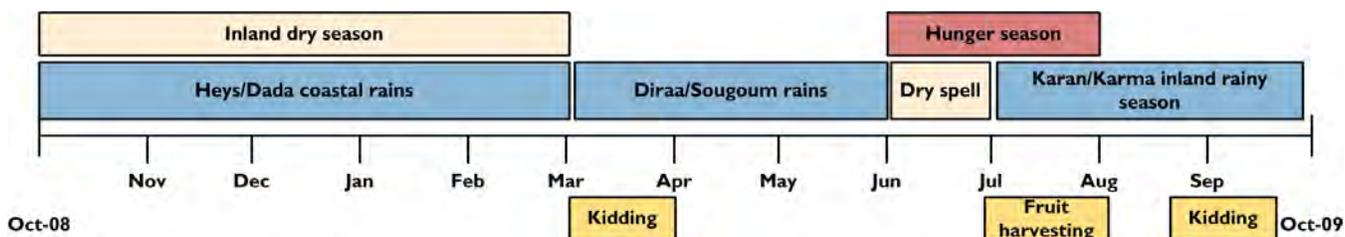
- The food security situation in the coastal belt is improving due to recent good rains, subsequent improvements in pasture, and slight declines in cereal prices as increased imports have improved supply. Inland areas are in a six month dry period, though they received some unseasonable rains during October/November, slightly improving water and browse availability.
- Large scale food aid distributions across the country have alleviated food insecurity for the time being although the primary drivers of this food insecurity (e.g. poor pasture and water availability, high food prices) remain.
- In the most likely scenario, the October-February rains will end normally, encouraging a migration of pastoralists to the coastal grazing belt, leading to overgrazing. However, the food security situation in both the central and southeast livelihood zone will improve, as will livestock/cereal terms of trade.
- In the worst-case scenario, the *Heys/Dada* (October to February) rains will end poorly and the *Diraa/Sougoum* rains (March to May) will perform poorly. Food aid distribution will end and all pastoral livelihood zones will face significant food deficits and high and extreme food insecurity.

Figure 1. Current estimated food security conditions



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

Seasonal calendar and critical events



Source: FEWS NET

Current food security conditions

Food security conditions in the coastal belt have improved slightly due to recent rains and animal productivity is expected to improve in these areas. Camels are in heat and milk production of goats has improved slightly. A decline in cereal prices

has improved livestock/cereal terms of trade, though it still does not favor pastoralists and high price of cereals is still affecting the purchasing power of poor households. Livestock body conditions in coastal grazing areas are good due recent good rains. Pasture, browse and water availability is adequate and a migration to these areas is expected to increase. Inland pastoral areas are currently in the midst of a six month dry period and animal body conditions in these areas are relatively poor.

Labor availability is normal, but rural migration is affecting the availability of employment by contributing to increased competition for jobs. High staple food prices are affecting income generating activities and petty trade. However, while still high, cereal prices are declining following increased imports and this trend is expected to continue over the coming months. This will reduce the cost of minimum expenditure basket and improve poor household's access to food. Food access is also improving following increased food aid distribution. WFP is assisting around 80.000 persons, around 70 percent of the rural population, in rural areas and is planning to start food for work in Djibouti City covering around 50.000 people.

There are currently 9.000 refugees from Somalia in Djibouti and around 1.000 IDP's in Khoranagar who have been displaced by the tension between Eritrea and Djibouti. IDP's have been reported in Sankal (300 families), Assamo (500 families), and Bondara (250 families).

Supplementary and therapeutic centers are currently being operated by UNICEF and the Ministry of Health for almost 10.000 children (40 percent of the 25.000 children estimated to be malnourished in November 2007). Around 25.000 people are currently receiving water through water trucking by UNICEF.

Most-likely food security scenario, March to June 2009

WFP is covering almost 75 percent of the rural population with full rations. In the most likely scenario, current WFP food distributions will continue and rural households, including in the Northwest Pastoral Livelihood zone, will meet more than 100 percent their household food needs, allowing households to rebuild assets. No additional food aid will be needed in rural areas. In urban areas, WFP will begin urban food-for-work program in late January/early February.

In this scenario, the rains during the remainder of the season will perform well improving the availability of both pasture, browse, and water and improving animal body conditions in coastal grazing areas. Nutrition improvements are expected if the performance of rains is good in all areas except NW livelihood zone. However, while food aid will continue to alleviate food insecurity across the country, the March-May rains are forecast to be poor. This will prevent improvements in livestock body condition in inland areas and will affect livestock productivity.

Available cereal stocks will be sufficient to almost entirely cover demand for the coming six months. The declining trend in food prices is expected to continue during the coming months, further improving food accessibility in both urban and rural areas. Labor employment opportunities in urban areas will be normal though there may be increased pressure from rural migrants looking for work.

Civil security will deteriorate in Somalia, and therefore, a large number of refugees are expected, in addition to the 9.000 refugees currently living in the Ali-adde camp. Around 1,000 IDP are reported in Khoranagar and as the tensions between Eritrea and Djibouti continue, more are expected in this area.

Table I: Scenario assumptions and indicators

Most-likely food security scenario

- *Heys/Dada* (October to February) rains are near normal.
- Improvements in water, browse, and pasture availability.
- Food prices increase stabilize at higher prices.
- Availability of casual labor opportunities remains normal.
- Food aid continues.

Worst-case food security scenario

- Poor *Heys/Dada* (October to February) rains
- Food prices increase further.
- Below-normal availability of casual labor opportunities.
- Food aid ends up.

The total number of people who are food insecure will generally remain at the current level, because although food aid will address immediate needs, the underlying causes of food insecurity have not been resolved. Some improvement is expected in the coastal belt. The level of required interventions is expected to remain the same for the coming six months.

Worst-case food security scenario, March to June 2009

In this scenario, WFP rations come to an end and as a result, poor households in the northwest will face food deficits of up to a 30 percent. In the Central Lowlands livelihood zone they will face a 10 percent food deficit.

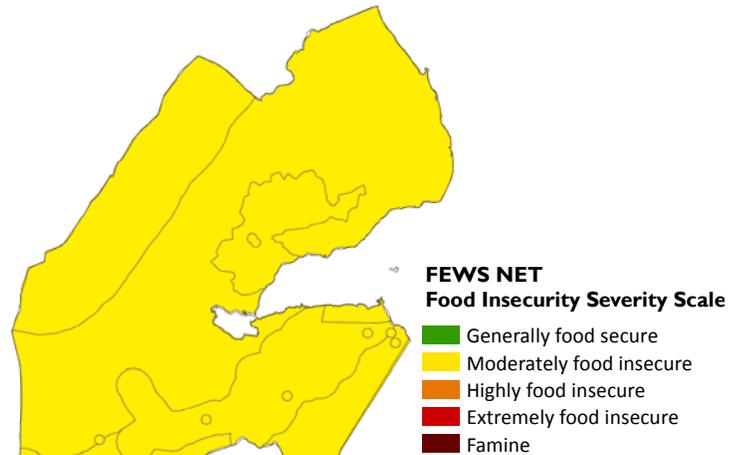
Also in this scenario, rainfall performance for the rest of the season is expected to be poor, and mass migration towards the coastal belt, where pasture conditions are better, will occur. The March-May rains will also be poor. Poor rainfall during the next six months will seriously affect natural resource availability which in turn affects animal body conditions.

Meanwhile, Ethiopia’s cereal export ban will continue to reduce trade flows and affect cereal prices, reducing food access. The inflation rate is also likely to increase in this scenario, pushing food prices higher and limiting food access for poor urban and rural livelihoods. This, poor animal body conditions will lead to declining terms-of-trade for pastoralists.

Casual labor opportunities in urban areas are also expected to become more limited, constraining the food access of poor urban household which depend wage labor to fund food purchases.

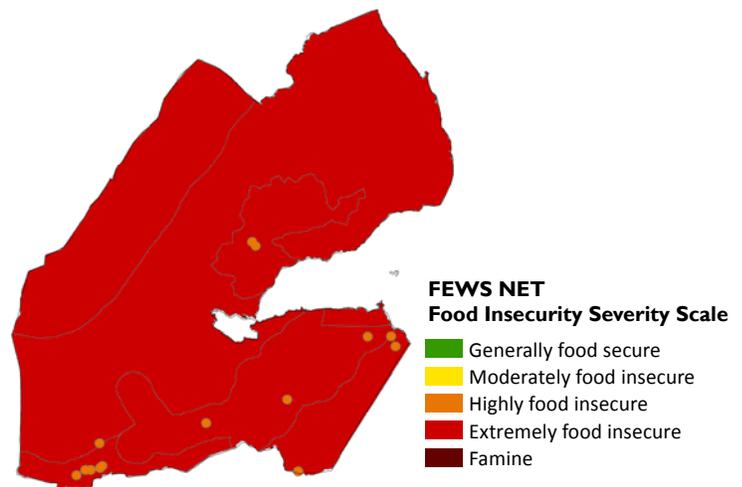
More than 300.000 people are expected to become extremely food insecure if the worst case scenario occurs.

Figure 2. Estimated most-likely food security conditions, second quarter 2009 (March to June)



Source: FEWS NET Djibouti

Figure 3. Estimated worst-case food security conditions, first quarter 2009 (March to June)



Source: FEWS NET Djibouti



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

Sorghum, wheat flour and Belem rice are the most important food commodities. Sorghum flour and Belem rice are most commonly consumed commodities in urban areas. Wheat flour mixed with sorghum flour is also purchased for the production of local pancakes, an important staple food for poor and middle-income households. Over 65 percent of the total population for Djibouti lives in and around Djibouti City, the capital, making this market the most important for understanding food security conditions. Dikhil is the second largest city and it supplies the rural communities in and around the city. Tadjourah supplies the central region, mainly urban areas. The pastoral areas in the northwest receive most of their staple food from neighboring Ethiopian markets of Elidar and Manda. Alisabieh supplies the pastoral border areas in the southeast. Arta is located in isolated area and supplies only the city. Obock is the main market for inhabitants of the central lowlands.

**Note: Historic prices are only available for the capital city market.

