

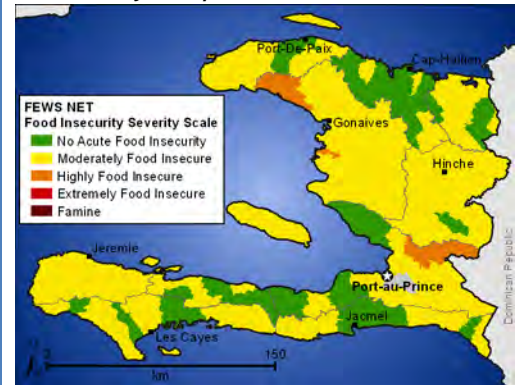
HAITI Food Security Outlook

January through June 2011

Key Messages

- The cholera outbreak is still spreading, though at a somewhat slower pace since the beginning of the dry season (from January to April). However, there could be a surge in the number affected with the onset of the rainy season (from April to June). The impact on the agricultural sector could be substantial with the fear of contracting cholera discouraging farm laborers and farmers alike from working in irrigated crop-growing areas, particularly in the Artibonite. This is affecting output and the incomes of households dependent on farming activities in this part of the country.
- Food prices in general, and rice prices in particular, are currently above 2008 prices. This trend could continue throughout the first half of this year, limiting the food access of poor urban and rural households dependent on local markets for their food supplies.
- The results of the November 28th elections triggering violent demonstrations in December of last year are creating a climate of uncertainty in the Haitian capital. This could delay investment and reconstruction efforts in areas impacted by last year's devastating earthquake. In addition to paralyzing business and other types of activity, this uncertainty could also limit job prospects across the country.
- This environment will only further erode food security conditions for the poorest segments of the population. According to estimates by the National Coordination for Food Security (CNSA) and its partners (FEWS NET, the World Food Programme (WFP), etc.), more than three million people, including approximately 900,000 residents of the Port-au-Prince metropolitan area, will require assistance, particularly at the height of the lean season (April/May). So far, most food insecure households are very poor and poor households in areas affected by the cholera outbreak and Hurricane Thomas and remote rainy mountain areas. Also included in this category are earthquake victims living in camps and poor districts of the Port-au-Prince metropolitan area.

Figure I. Current estimated food security outcomes, January 2011

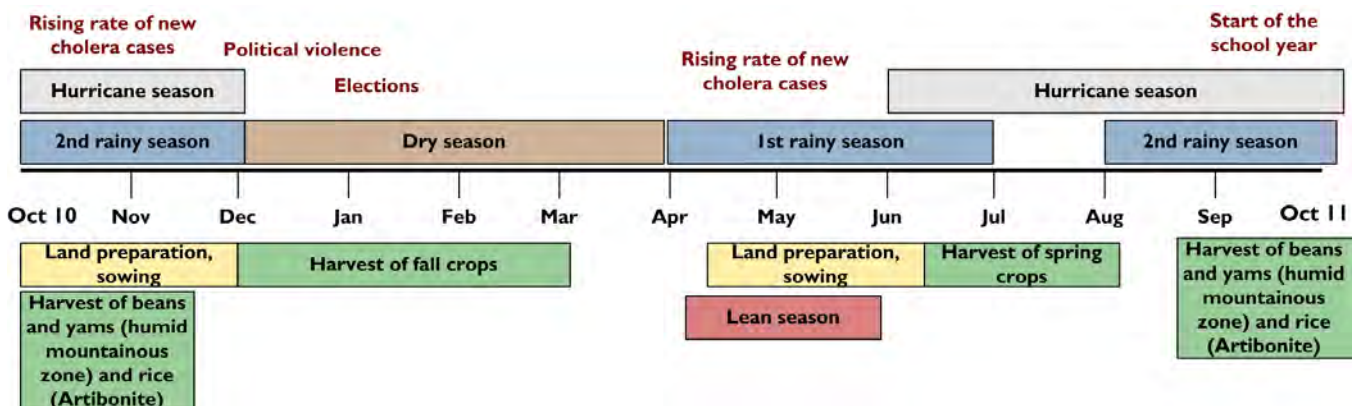


Source: FEWS NET

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

www.fews.net/FoodInsecurityScale

Seasonal calendar and critical events timeline



Source: FEWS NET

Most likely food security scenario, January through June 2011

2010 was marked by the devastating earthquake of January 12th and the cholera outbreak in mid-October, followed immediately by Hurricane Thomas in November. These events destabilized the household food security situation in affected areas. Moreover, street demonstrations in December following the announcement of the results of the November 28th elections disrupted trade. Economic stakeholders are reluctant to take risks in the climate of uncertainty created by the current political situation. Last year ended with an economic contraction of approximately 5.1 percent, according to the Haitian Bureau of Statistics and Information Technology (IHSI). The agricultural sector, which accounts for an average of 25 percent of the country’s gross domestic product (GDP), grew by a mere 0.03 percent.

Though markets are well-stocked with imports and local crops, the average prices of staple foodstuffs (imported rice in particular) are rising more rapidly than usual, due partly to the damage caused to the agricultural sector by Hurricane Thomas in November, particularly on the Southern peninsula, and partly due to the effects of the steady rise in world market prices for grain since September of last year on local markets.

Food prices in general, and rice prices in particular, are currently above 2008 prices. The largest fluctuations are in prices for local rice and red bean crops, averaging close to 10 percent and 11 percent a year, respectively. Prices for these crops have gradually climbed back up to their post-quake levels and, in less than a month, have outstripped December 2009 prices by 15 to 20 percent. These rising prices will erode the ability to access food, and thus the food security, of poor urban and rural households which normally depend on the market for their food needs.

However, there has been a large presence of non-governmental organizations (NGOs) in Haiti ever since the January 12th earthquake. The United States Agency for International Development (USAID) and the United Nations (UN) have helped more than 900,000 Haitians through cash-for-work, cash transfer, or vocational training programs, in addition to providing food assistance. Case management capacity in areas affected by the cholera outbreak was up to 500,000 patients as of mid-January of this year. With only 185,000 actual cases as of January 9th, this allotment should suffice to meet needs for the next six months.

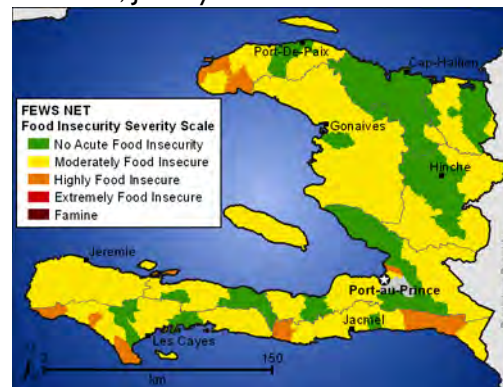
January through March is the main dry season in virtually all parts of the country with the exception of a handful of municipalities in the North, Grand’ Anse, and the Northwest. However, winter crops, grown largely in irrigated plain areas, will reach maturity between February and March, which will strengthen food availability at that time. Harvests of pigeon peas, which have been maturing since December in virtually all livelihood zones, should also help bolster food availability.

This three month period will also be marked by a sharp upswing in food prices. According to the five-year average for prices in reference markets between January and May, black bean prices will rise by approximately 12 percent, rice prices by approximately five percent, and prices for corn meal will increase by 15 to 20 percent. These increases in prices tend to be steeper in Jacmel and more moderate in Cap-Haitien (on average, prices for most tracked crops tend to peak in September and October).

These findings led to the following assumptions:

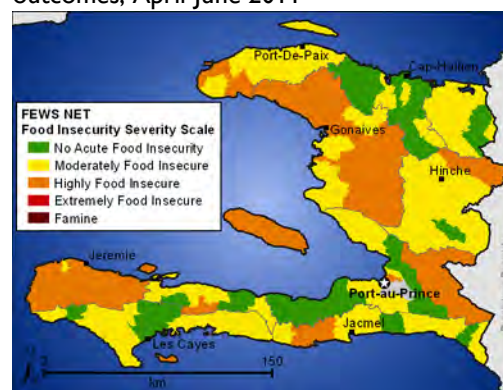
- Farmers will plant smaller areas of crops for the spring growing season due to increases in production costs attributable mainly to higher labor costs in March/April.

Figure 2. Most likely food security outcomes, January-March 2011



Source: FEWS NET

Figure 3. 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

- There will be a larger than usual demand for labor in areas affected by the earthquake due to ongoing reconstruction work throughout the outlook period. This assumption has prompted government officials to estimate the economic growth rate for 2011 at around nine percent.
- According to weather forecasts for the Artibonite, Western, Northern, and Southern departments and the Port-au-Prince metropolitan area for the month of May, flooding levels in lowland areas should be more or less average and should affect no more than 10 percent of cropped areas.
- Infection and mortality rates from cholera have been falling since December. This downward trend will continue throughout the dry season. There could be a surge in the cholera prevalence rate with the onset of the rainy season in April/May. However, the risk of a new outbreak could be tempered by an extension of ongoing information and awareness-raising activities and by the strengthening and pre-positioning of patient care services in vulnerable areas.
- Haiti normally imports close to half its food supply, particularly rice, wheat (or flour), and corn meal. World market prices for these items are approaching their 2008 levels during the global food price crisis. Prices for imports and locally grown foodstuffs are expected to rise even more than usual between January and April/May.
- The political crisis could trigger violent demonstrations between January and May. The resulting slowdown in business would cut the incomes of wage earners and informal sector stakeholders.
- According to weather forecasts, there is roughly a 40 percent probability of below-normal rainfall in the first and second quarters of this year.
- Forecasts dating back to December of last year call for another active hurricane season (June to November), with a heightened probability of nearly double the average number of tropical storms and hurricanes.
- Household expenditures on food will increase during the Easter holiday, which should help business improve.
- According to projections for this year, mango harvests will be smaller than usual due to the December rains, which caused the flowers to fall off of mango trees. However, poor households will benefit from the consumption and sale of mangoes in May/June.
- There will be fewer than usual Haitian emigrants visiting the country and, thus, a smaller influx of foreign exchange. This is expected to speed up the depreciation of the Haitian gourde.

The size of the food insecure population will be larger than usual, peaking in April/May, when food reserves are at their lowest level of the year. Even after the June harvests, there will still be higher than average levels of food insecurity due to expected shortfalls in crop production as a result of the socioeconomic effects of the cholera outbreak and the damage caused by Hurricane Thomas.

Port-au-Prince metropolitan area

80 percent of the money in circulation in Haiti is in the Port-au-Prince metropolitan area. Furthermore, very poor and poor households, especially those living in shantytowns and internally displaced person (IDP) camps, are virtually entirely dependent on the market for their food supplies and on jobs as laborers as their sole source of income. These households are defenseless against any increases in prices, particularly during the months of April and May, and fluctuations in demand for labor or employment prospects. Close to one third of the population of the metropolitan area, or 900,000 residents, were classified as food insecure in June of last year. However, food security conditions have been deteriorating since October with the high prevalence of cholera and the damage caused by Hurricane Thomas.

Prices for imported foods in general, and rice in particular, have been rising since last October. As of the middle of January, prices for most staple foodstuffs were above 2010 prices at the same time of year. The price of rice, for example, is approximately 38 percent above the five-year average and around 27 percent higher than in January of 2008. Prices for crops from areas hard hit by Hurricane Thomas, mainly yams and bananas, have been moving in line with this same trend due to small harvests.

The following key assumptions relate specifically to Port-au-Prince:

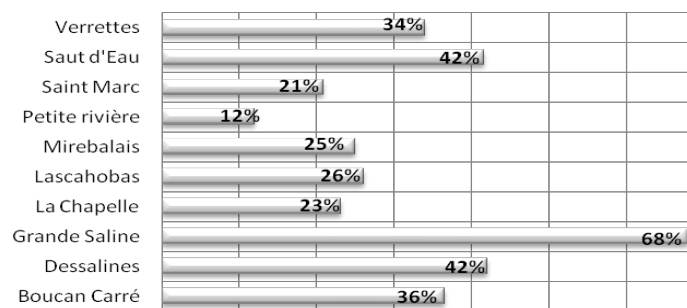
- Wage rates for unskilled day laborers in Port-au-Prince will hold steady at approximately USD 5.00 a day.
- With the building of temporary shelters, the number of people living in camps went from 1.5 million in July of last year down to 810,000 as of early January. This trend is expected to continue and to speed up with the beginning of the rains in April/May.
- Stakeholders such as the government, donors, and humanitarian organizations are trying to improve living conditions for the poorest segments of the population by strengthening ongoing cash-for-work programs to meet needs engendered by the disaster of last January 12th.
- Wealthier households in shantytown areas have enough resources to prevent them from facing acute food insecurity throughout the outlook period.

- Based on the food security conditions described above, this year’s lean season is expected to begin somewhat earlier than usual (by mid-February instead of April). The months of January and February will be marked by a livelihood deficit. Between March and May, very poor and poor households with low disposable incomes will be incapable of meeting their food needs and securing increasingly costly basic goods and services, requiring assistance, particularly between February and May. Average households in shantytown areas, whose incomes will be sharply eroded by the high cost of living, will most likely be forced to cut back their non-food and livelihood protection expenses. Some of these households will become moderately food insecure.

The Artibonite Valley and lower Central Plateau

Close to 80 percent of nationwide rice production comes from the Artibonite Valley, where some 25,000 hectares of land are planted with rice. Rice farmers were able to bring in a good 2010 harvest thanks to the clearing of irrigation ditches and distributions of fertilizer. They also grow market garden crops, which are an important source of income for this group of farmers. Rice fields are currently being planted, with crops likely reaching maturity sometime in April and May. Winter bean crops were planted in December in the lower Central Plateau area. The sorghum harvest has just gotten underway, while harvests of pigeon peas are beginning to wind down.

Figure 4. Percentage of families affected by the cholera outbreak by municipality in the lower Artibonite and lower Central Plateau areas



Source: CNSA

The death toll from cholera in both departments since the beginning of the outbreak was close to 2,000 as of the end of January, which is half the nationwide fatality figure. An estimated 50,000 residents of the Central Plateau and Artibonite areas are affected, out of a total population of 1.1 million (Figure 5). The fact that the incidence of this disease has come down since December is significant. Treatment centers, which had been seeing an average of 30 cases a day in October/November, were getting only two to three cases a day in mid-January.

According to the study of the impact of the cholera outbreak on food security conducted by the CNSA in conjunction with FEWS NET and other partners, the supply of labor in the Artibonite Valley and irrigation districts in the Central Plateau area is nearly 30 percent lower than average. Between 10 and 15 percent of rice crops could not be harvested due to a shortage of labor. There is also less demand for crops from the valley, particularly for market garden crops. Reacting to increases in production costs due largely to the shortage of labor and the low demand for crops from the Artibonite, farmers are planting smaller areas. In fact, the size of the area planted in December/January for the winter growing season was nearly 30 percent smaller than in the previous season.

Poor households, which have been hardest hit by the cholera outbreak, will supply less labor for farming activities, which will cut crop production. Middle-income and better-off households will plant smaller areas in rice while building up their livestock herds and looking for new farmland in areas where the cholera outbreak is not that widespread, to grow corn for example. Poor households in the Artibonite and Central Plateau areas depend on this labor income. The daily wage rate has risen from 100 to 150 gourdes, or by 50 percent, since the beginning of the cholera outbreak, while the number of hours of work has declined.

Poor area households responding to the slowdown in demand for crops from the Artibonite by looking for local on-farm employment instead of concentrating on farming their own land should have enough income to meet their food needs for the entire outlook period. Average households, which rely on sales of crops for 60 percent of their annual income, and poor households farming their own land will have difficulty maintaining their food access, particularly in December/January (marked by land preparation activities generating larger household expenditures) and April/May (just before the harvest). Poor households will require assistance to meet their nutrition needs. Under these conditions, malnutrition rates will most likely be above the seasonal average, particularly between March and May.

According to the FEWS NET food insecurity severity scale, very poor and poor households will be highly food insecure between March and May and middle-income households will be moderately food insecure between January and June. Better-off households with diversified livelihoods (livestock, land, and in some cases homes in the city) will not face acute food insecurity.

Southern peninsula

The Southern peninsula, with a population of 1.1 million inhabitants, has areas with good farming potential but also areas with vulnerability to climatic hazards. Hurricane Thomas struck coastal areas of the Southern peninsula on November 5th of last year, damaging infrastructure and hitting the agricultural and fisheries sectors especially hard. An estimated 452,255 farmers and fishermen were directly affected representing approximately 40 percent of the population and concentrated mainly in the municipalities of Chardonnière, Les Anglais, and Tiburon in the Southern department and Les Irois and Dame Marie in Grand Anse department.

Very poor and poor households, which account for over half the population, make their living from farming. They purchase nearly 80 percent of their food supplies and, thus, are defenseless against expected price increases in April/May. Food prices are rising as a result of tightening supplies and of the sociopolitical problems impeding the free circulation of goods and services for a certain period of time back in December. Middle-income and better-off households are oftentimes landowners, while many very poor and poor households farm small plots of land under share-cropping arrangements or raise animals under a livestock sharing lease. Hurricane Thomas damaged as much as 40 percent of their crops.

The spring season, which is the most important season in terms of crop production, begins with land preparation activities in January and February, providing employment opportunities for laborers. The yearend holiday season continuing into the month of January, the Carnival period in March, and the Easter holiday in April are all occasions for household spending by all wealth groups. The following additional key assumptions apply specifically to this area:

- Expected sorghum and bean harvests in February and March will be approximately 30 percent smaller than originally anticipated before Hurricane Thomas.
- Fishing activities account for 20 to 25 percent of household income in coastal areas of the Southern peninsula. The slowdown in demand for fish drove prices down by as much as 60 percent in the immediate aftermath of the cholera outbreak. However, fishing activities and fish and seafood consumption appear to have improved thanks to information and awareness-raising campaigns.

The felling of trees for charcoal production is expected to increase between March and April. This strategy only serves to heighten the area’s vulnerability to climatic hazards. The flow of out-migration by members of very poor and poor households will accelerate. The poor in particular will be more vulnerable to political manipulation than usual (accepting money in exchange for their vote in March, for example). These more or less normal coping strategies by poor households during the lean season will not suffice to meet their food needs in the face of expected shortfalls in on-farm production, lower incomes from fishing, and steeper than usual increases in food prices. Middle-income households will rely on sales of livestock to offset their losses of income. The better-off will not face any acute food insecurity.

The following measures are recommended in the face of these conditions:

- i) Provide farmers with technical (training and distributions of farm inputs) and financial (recapitalization) assistance to revive farming activities in areas devastated by Hurricane Thomas such as Grande-Anse, the South, the Northwest, the Southeast, and Nippes;
- ii) Support the fishing industry, which also suffered enormous losses in the wake of the hurricane;
- iii) Strengthen awareness-building and prevention mechanisms to curtail and slow the spread of cholera across the country, particularly in remote areas with no access to clean water and sanitation services;
- iv) Take any and all necessary peacekeeping measures to create a climate conducive to capital investment and sustainable job creation in all parts of the country.

Table 1. Less likely events over the next six months that could change the above scenarios

Area	Event	Food security conditions
Nationwide	Settlement of the political crisis with the establishment of a lasting agreement by the different opposing parties between February 7 th and May 14 th	Peace would prevent demonstrations and give way to more employment opportunities.
The Artibonite and lower Central Plateau areas	Flooding in May and June damaging more than 10 percent of croplands in affected areas	Food availability in areas flooded by the Artibonite River will be poorer than projected in the most likely scenario, heightening food insecurity risks more than anticipated.