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Daa Nyeeno

Food Security and Market Information Bulletin for The Gambia

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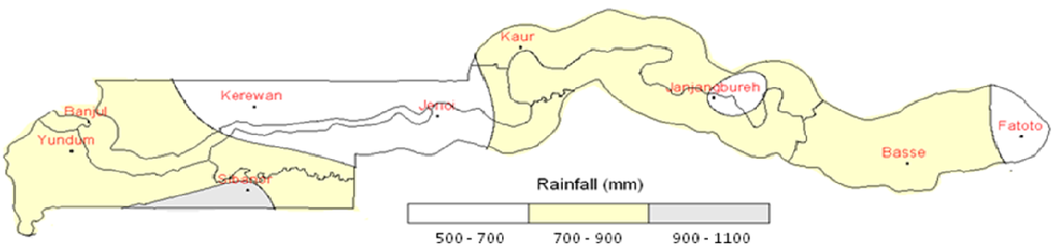
Highlights:

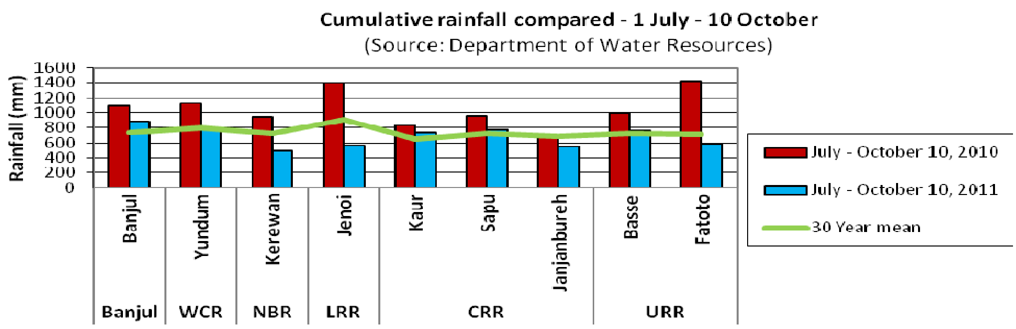
- **Rainfall** during the 2011 season was late, unevenly distributed and erratic, with an overall deficit of 10% below normal, and will adversely affect crop performance, quality and harvest throughout the country. Mostly affected will be upland rice varieties, groundnut and early millet, in particular in North Bank, Lower River and Upper River Region.
- **Food prices** continue to rise, in particular for rice and coarse grains. Nominal rice prices are only 2% below the 2008 levels of the global food price crisis whilst prices for most coarse grains have considerably surpassed the 2008 levels (up by 40%). Prices are expected to be further on the rise due to likely local supply constraints of cereals and the continued growth of export prices on the international market.
- **Vulnerability** to food insecurity will continue to rise. Most likely to be affected are upland rice and groundnut farmers, due to likely agricultural and income shortfalls, as well as poorest households in urban areas due to rising food prices and cost of living. Vulnerability is expected to increase further as of January / February 2012 if food stocks of most affected farmers will last 2-3 months as they currently predict (down from average 5-6 months).

Context

Cumulative Rainfall: 1 May – 10 October 2011 (Source: Department of Water Resources)



Following a significant rainfall deficit at the beginning of the 2011 rain season (May—June) in which overall rainfall levels have been recorded as 59% below 2010 levels and 36% below normal levels (30-year mean) during the same period, rainfall has picked up in most parts of the country, albeit slowly. Countrywide, in the period of 1 July - 10 October 2011, cumulative rainfall has been still 35% lower than in the same period in 2010, almost 7% lower than normal and 4% below the average rainfall during the last dry spell in 2007. In addition to an overall deficit, rainfall in 2011 arrived late, was unevenly distributed and erratic with long dry spells affecting crops at their reproductive stage. This has affected the timeliness of planting activities for most crops, in particular upland rice varieties, groundnut and early millet. **(Continued on Page 2)**



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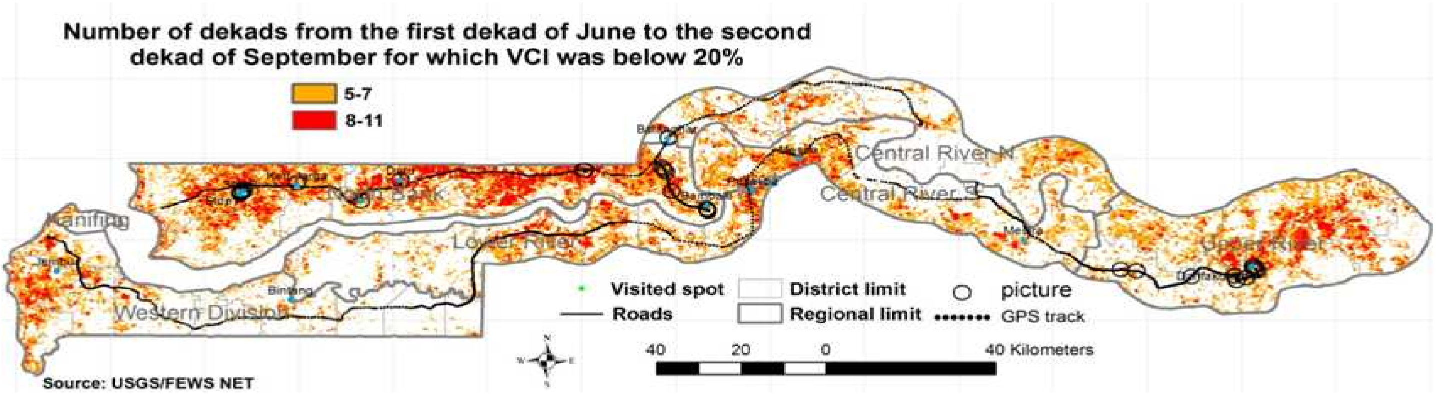
Particularly hard hit was most of the North Bank Region with average rainfall being recorded at over 76% below normal in May - June and over 35% below normal in the period of 1 July - 10 October as well as Lower River Region at 82% and 41% below normal respectively. Also affected are the Fonis in West Coast Region and the Upper River Region which recorded 52% and 38% below normal rainfall in the first two months of the rainy season. Given the negative rainfall trends for the predominant part of the season it can be expected that those areas subject to the late onset of rain and intermittent dry spells will face lower yields or harvest failure.

Food Availability

Agriculture

On 17 - 22 October 2011 a Joint CILLS/FEWSNET Pre-Harvest Assessment has been carried out to collect preliminary observations on expected crop performance and the possible outlook for the upcoming harvest with special attention to areas most affected by poor rainfalls. Visited spots have been selected based on rainfall data collected by the Department of Water Resources and satellite images provided through remote sensing. The map below depicts areas in which the vegetation has been most subject to the condition of water stress during the period of 1 June - 20 September 2011, i.e. the number of 10-day periods (dekads) where the Vegetation Condition Index (VCI) has been 20% or lower.



The mission has visited a total of 13 locations in West Coast Region (2 locations), North Bank Region (5), Lower River Region (2), Central River Region (3) and Upper River Region (1), all of which are situated in areas which experienced a condition of prolonged water stress as visualized by the VCI map. Information collected was based on spot checks of farming sites and interviews with farmer groups, district agriculture extension officers and regional agriculture directors, amongst others. Overall, poor crop performance, delayed crop development or abandoned fields have been observed at the majority of the visited sites suggesting for the 2011 harvest lower yields than usual. Based on proxy estimation a significant drop in production levels of 75% - 90% for upland rice varieties and 50% - 65% for groundnuts, compared to the previous year, can be expected in the worst hit areas such as in most of North Bank Region. However, even in that region there are areas which experienced good rainfall and are expected to have normal yields (Upper Niumi). Overall, most severely affected crops for the region seem to be upland rice varieties, groundnuts and early millet, in particular in those fields which have been sown late. In many of the groundnut fields visited the crop has been found to be only at the flowering or pegging stage, carrying single groundnuts per bushel, with the rainy season approaching to an end. Particularly affected will be farmers whose upland rice fields were only at a reproductive stage when another temporary dry spell set on in the period of 1 - 16 October or prior to that, while availability of seeds for the next season might be another problem due to repeated planting this year. In addition, Blast is reported to be a major disease affecting upland rice throughout the country.

Vulnerability Snapshot

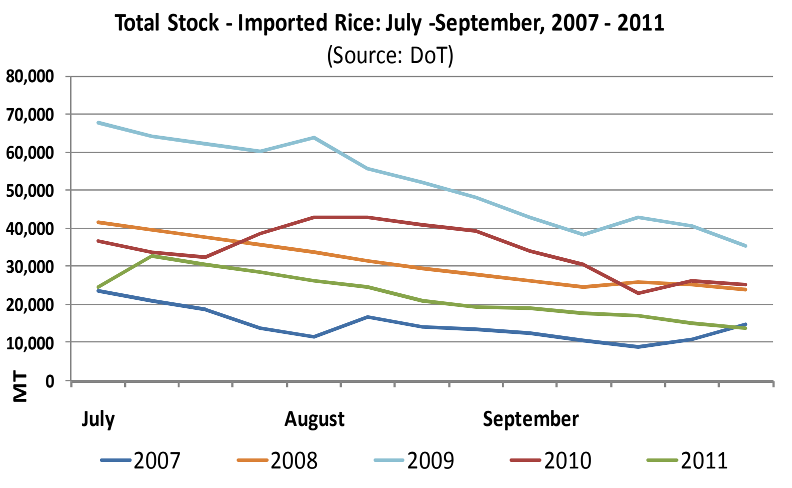
Low, late and erratic rainfall in 2011 will negatively affect yields and quality of key crops such as upland rice, groundnut and early millet. Areas hardest hit by the rainfall deficit such as in the North Bank Region might experience a drop in production of 75% - 90% for upland rice and 50 – 65% for groundnuts. Affected farmers predict sourcing food from own produce for only 2-3 months after the harvest, compared to usual 5-6 months.

(Source: 2011 CILLS/FEWSNET pre harvest assessment mission).

2011 Pre-harvest Assessment Mission - Situation Snapshots from the Field

Date: 18 October 2011
Location: Ndungu Kebbeh, Lower Niumi (NBR)
Description: Groundnut at pegging stage

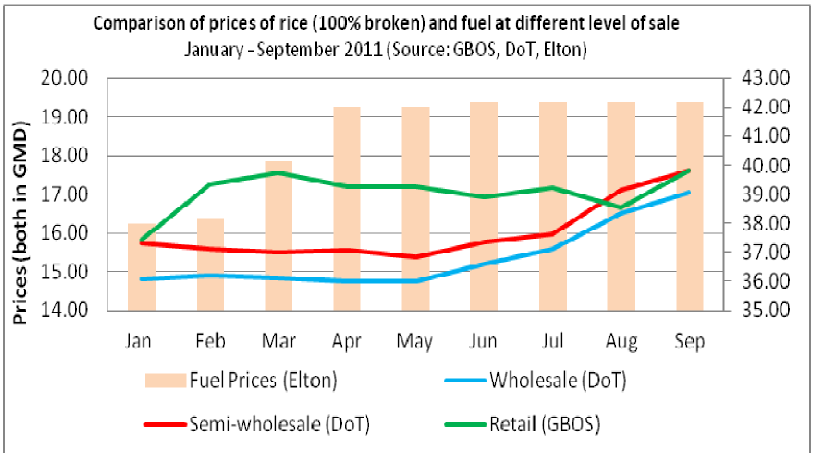
Date: 19 October 2011
Location: Bambally, Sabach Sanjal (NBR)
Description: Abandoned field of upland rice



Stock Levels - Total Imported Rice

At the end of September 2011 cumulative stocks of imported rice varieties of major traders in the country amounted to 13,683 MT, down from nearly 30,000 MT in June. Even though there is a year on year downward trend as the lean season approaches the current stock levels are at a 5-year low for that period of the year with the lowest stock level being recorded in September 2007. Over the entire year, 80 – 90% of imported rice stocks in The Gambia are made up of 100% broken rice, it being the predominant staple food in the country and most preferred rice variety. Overall, rice imports account for 30% of Gambian annual cereal needs (Cross Border Trade and Food Security in West Africa; WFP, March 2010).

Food Access



Rice Price Comparison (100% Broken): June - September 2011

The comparison of rice prices at different levels of sale reveals an increasing price trend at all levels since June 2011. For the period of July - September the increase is most significant at the wholesale and semi-wholesale levels with prices increasing in September to D 852 or D 881 per bag (50kg) or by 12% each, compared to June 2011. The steep price increases at the wholesale and semi-wholesale levels are largely a reflection of global market trends.

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Reportedly, in the third quarter of 2011 international rice prices increased by 14% compared to the previous quarter (Market Monitor - Issue 13, WFP). Compared to the same period in 2010, main Banjul based traders confirm an unusual frequency of price changes on the international market, in particular due to experienced supply constraints (Thailand, Vietnam, Pakistan) and competing demand (PR China), adding to that the gradual depreciation of the Dalasi against the US Dollar and the CFA. Compared to June 2011 the Dalasi has lost value by 4.1% against the US Dollar and 3.8% against the CFA, while compared with September 2010 the depreciation is at 1.7% and 11.9% respectively (OANDA). Retail prices have experienced a marked increase at the beginning of the year, primarily associated to fuel price increases, and have largely remained at these levels throughout the upcoming period. However, in parallel with price increases at the wholesale and semi-wholesale levels, since July and August prices at the retail level are picking up again, reaching a 4% increase in September compared to June levels.

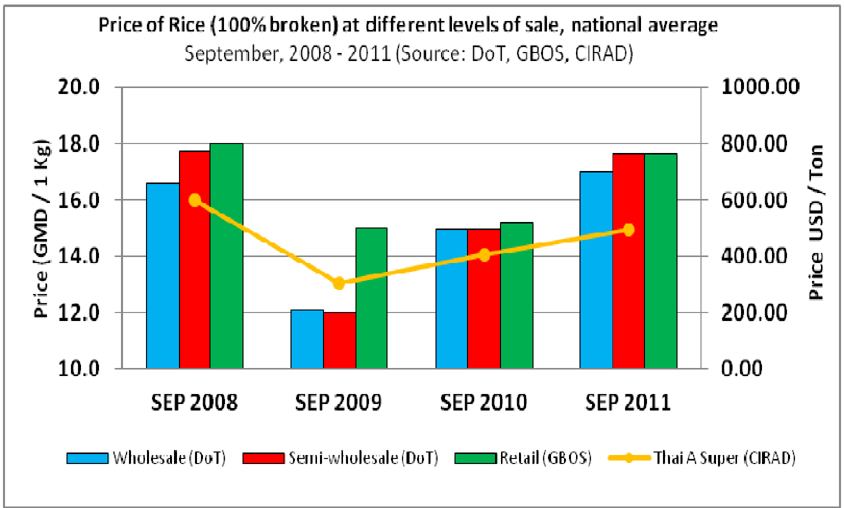
DID YOU KNOW?

"Average rice prices in The Gambia are only 2% below the price level recorded during the 2008 food price crisis while current prices of local coarse grains are on average 40% higher"

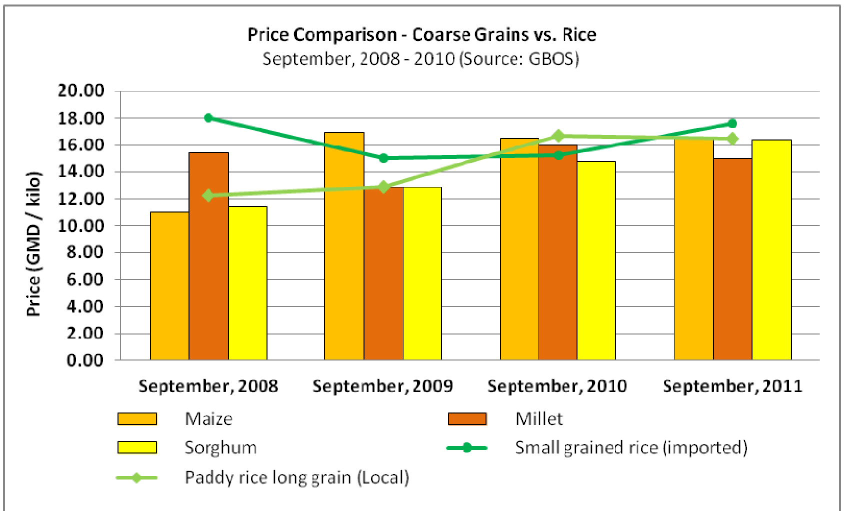
(Source: DoT, GBOS)

Rice Price Comparison (100% Broken): September, 2008 - 2011

Even though rice price increases are common in the Gambia during the lean season (May - September) current trends can not be explained by seasonality alone. Underlying the present price increases is a more long term trend, mainly attributed to supply and demand forces on the international market and domestic inflation. Since 2009, the average price of the Thai A Super rice variety on the international market was on the increase and was in September 2011 nearly 18% below the price level recorded on the same month during the global food price crisis in 2008 (INFOARROZ). In The Gambia, the average price of rice for the month of September 2011 has been gradually on the increase when compared to the same month in 2009 and 2010 and has reached a level almost equivalent to September of the 2008 global food crisis. In September 2011 rice prices at the retail and semi-wholesale level are respectively only 2% and 1% lower than compared with September 2008 while rice prices at the wholesale / importer level have even surpassed the food-crisis levels by nearly 3%. If price trends at the international market continue further price transmission at retail level can be expected in the period to come.



Price increases are even more pronounced for most of the locally produced coarse grains and local rice. Compared with their 2008 levels, prices of coarse grains and local paddy are higher in September 2011 by 40% and 35% respectively, reaching on average the price of D16 per kilo with only a marginal price difference between most cereals, including imported rice (100% broken). The price of unshelled groundnuts in September 2011 is 6% higher than in June and 12% higher than in the same period last year, representing a small window of opportunity for farmers to increase revenues unless adversely affected by the rainfall deficit.



Food Utilization

On 3 - 7 October 2011 a Joint Rapid Food Security Assessment (RFSA) has been carried out by the Department of Agriculture, GBOS, FAO, WFP and Action Aid with the overall objective to assess how the food security situation has evolved since the execution of the Comprehensive Food Security and Vulnerability Assessment (CFSVA) in January 2011. The assessment aimed to capture changes in household food consumption and coping during the critical lean season as against a period when food availability was high and income generating opportunities abundant (post harvest and tourist season). The assessment focused on the most vulnerable areas of The Gambia as identified by the CFSVA: Fonis (WCR), Jarra Central and East (LRR), Lower Saloum (CRR North) and Janjanbureh (CRR South). Additionally, Banjul and Kanifing municipalities were included in order to evaluate the changes in urban households' food security situation. Preliminary results suggest that the level of household vulnerability has increased mainly because of uncertain harvest prospects and rising food prices, particularly affecting rural areas with potential harvest deficits and the urban poor. The majority of interviewed households (75%) spent in September on average a greater share of their income on food items (62%) than this was the case in January for the national average (58%). Of these, 40% spent less than D 400 per capita for the entire month of September. Even though almost all households (94%) report to maintain the number of meals per day (usually 3 for adults and 3-4 for children), a common observation was that households narrowed down the variety of ingredients per meal and reverted to cheaper and less preferred food. Vulnerability in rural areas is expected to be additionally on the rise given the rural households' expectation to be able to source from their own production for only 2-3 months after the upcoming harvest, down from 5-6 months which are considered as normal prospects.

Outlook and Conclusion

In conclusion, household vulnerability to poverty and food insecurity will continue to rise. Particularly affected will be farmers whose income and food security levels will drop due to the current rainfall deficit. In addition, rising food prices will further undermine the income base of the most affected farmers as well as the urban poor, in particular non-agricultural wage laborers and self-employed. If current trends continue, a further worsening of the food security situation might be expected from January - February 2012, once local food stocks are replenished until the next harvest. A significant drop of food security and income levels of farmers most affected by low rainfall might negatively affect preparations for the next cropping season.

Recommendations:

- A comprehensive and countrywide post-harvest crop assessment for the 2011/12 season is strongly recommended to determine the overall impact on potential yield and agricultural production caused by late and erratic rains
- Areas hardest hit by low rainfall should be closely monitored and the size of population affected in terms of households vulnerability to food insecurity identified. Adequate response options targeting most vulnerable communities and households should be elaborated
- Price levels of an average Gambian food basket should be monitored more closely to better evaluate the impact of increasing food prices on household food insecurity and vulnerability
- Cross border movements of cereals should be monitored, particularly regarding coarse grains, to verify the impact of price differentials on cereal availability at cross border markets

Recent Publications:

- Human Development Report 2011

"Sustainability and Equity: A Better Future for All"
(November 2011, UNDP)

-The State of Food Insecurity in the World 2011

"How does international price volatility affect domestic economies and food security?"
(October 2011, IFAD, WFP, FAO)

- Urban Market Assessment in The Gambia

"A Feasibility Study on Cash and Vouchers"
(September 2011, WFP)

At a Glance: Silos against post harvest losses

Post-harvest losses of cereals in Sub-Saharan Africa are estimated at 30% - 40% with The Gambia being no exception. The country faces similar problems in terms of post harvest processing and grain preservation with post-harvest losses at the farm level being generally considered as high. In mid-2010 FAO together with the Ministry of Agriculture embarked to address the problem through traditional means: by producing household metal silos for grain storage. Since the beginning of the year numerous practical workshops took place in which local artisans were trained to produce metal silos and train new artisans in the skill. By June 2011, 80 artisans from all regions including Banjul and KMC have been trained and 128 silos of various sizes produced (100kg, 250kg, 500kg, 900kg, 1800kg). Starting as of November 2011, 40 new artisans from CRR, URR and NBR will benefit from the training while the overall target is the production of 3000 household silos until the end of the project (31 December 2012) and the kick-start of a sustainable artisanal business, supplying farmers with easy to use and affordable storage facilities and promoting local entrepreneurship. The construction and diffusion of silos will contribute towards the achievement of MDG 1 in The Gambia through an efficient, sustainable and safe conservation of grain/seeds for consumption, utilization and marketing as required.

About the Daa Nyeeno:

The Food Security and Market Information Bulletin is the first of its kind tool for The Gambia which attempts to inform decision makers, policy and research on key issues pertaining to the complex subject of food security in the country. The main objective of the bulletin is to offer a systematic and holistic view of food security by looking at a variety of socio-economic trends that may affect household vulnerability and coping. This includes the timely provision of reliable data and analysis on issues such as but not limited to agricultural production, food trade and price trends, identification of groups most at risk to food insecurity, climate forecast etc. It serves relevant stakeholders for the identification of gaps, needs and proper responses to household vulnerability and food insecurity.

Daa Nyeeno is a joint effort of different government institutions, UN agencies and NGOs and is published on a quarterly basis. The next issue will be due in January 2012 and will cover the period of October - December 2011 (4th Quarter). This issue of the bulletin includes contributions from: Department of Agriculture (Planning), Department of Trade, Department of Water Resources, Gambia Bureau of Statistics, World Food Programme, Food and Agriculture Organization, CILLS/FEWSNET, Concern Universal, Muslim Aid and Action Aid.

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