

# UNITED NATIONS WORLD FOOD PROGRAMME GUINEA



WFP/Shiomi Kadoya

## RAPID ASSESSMENT REPORT

# 'IMPACT OF HIGH PRICES ON FOOD SECURITY AND NUTRITION'

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The errors or omissions contained in this report are the responsibility of the mission alone and not that of WFP Guinea. Please contact [jean-martin.bauer@wfp.org](mailto:jean-martin.bauer@wfp.org) for any queries or question comments on the report.

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## **Executive Brief**

Guinea, a food deficit country of the West African coast, has faced poor economic management that has caused living standards to decline in the past decade. Over the same period the country has suffered from an unstable regional context and from internal political instability, most recently with violent riots in January and February 2007. Close to one-third of Guineans now live in urban areas. According to WFP 6 percent of the rural population is severely food insecure. The World Bank has estimated that 17 percent of the urban population is 'very poor'. In Guinea, cities have been the origin of political instability and riots, as was the case for the unrest of early 2007.

In its short time in Guinea, and with the limited data available, the mission confirms that the food and fuel price shock is exacerbating structural food insecurity in the country. The price of rice in Conakry is among West Africa's highest, due to a monopolistic import sector, high port costs and an unstable exchange rate. A food export ban is preventing rural populations from taking advantage of higher worldwide commodity prices. Most affected are rural smallholders who have chronic difficulty in securing adequate food, and who will now have more difficult lean-season food access. In urban areas, the most at risk occupational groups are the 'price takers' of the labor market, such as casual laborers and petty traders. In Conakry's most deprived neighborhoods, 61 percent of the household budget is spent on food. Hellen Keller International reports increases in the use of survival strategies such as skipping meals and reducing portions in these areas.

The peak period of hardship will be the June-September lean season, as households buy imported rice at high prices on the market. The month of Ramadan, in September this year, may lead to high food prices at the end of the lean season. Although markets are well stocked, some of the poorest simply cannot afford to buy sufficient food. In such a context, an increase of child malnutrition is likely during the lean season.

The mission recommends proceeding with lean season dry-ration distributions through schools for some 378,000 severely food insecure people in rural areas. WFP should increase coverage of its nutrition programs, including in deprived urban areas, to the benefit of 80,000 additional beneficiaries, through the opening of new centers and the provision of a family discharge ration during the lean season. This nutrition response would build on existing partnerships with Action Contre la Faim (ACF), Hellen Keller International (HKI) and Terre des Hommes (TDH).

This program expansion does not cover all assessed needs in urban areas, as operational concerns in the Guinean context dictate caution. The mission does not recommend general food distributions in urban Conakry or other Guinean urban centers due to prevailing security issues. An urban intervention should have clear and solid targeting criteria. Low-visibility interventions – based on existing interventions, less preferred foods and vouchers – will be the most effective in alleviating urban food insecurity. The mission believes the recommended health-based response fits these criteria. Given Guinea's strong market potential, WFP should explore the modalities of implementing local purchases and voucher-based programs in urban areas.

The mission submits that a mix of measures, including additional food distributions, subsidized sales (if appropriate) and other non-food interventions, is the most sensible strategy to preserve vulnerable groups' access to food commodities and nutritional intake. The mission recommends that WFP continue its existing contacts with FAO, UNICEF and the World Bank to design complementary and coordinated responses. In the short term, WFP should advocate for a lifting of the existing food export ban. Other partners could support subsidies on rice and public transportation, should a rigorous cost-benefit analysis show them to be viable options. These contacts should also bring

up the longer term interventions required to promote more diverse diets, increased access to sanitation in the city and to develop the fisheries sector in Conakry. The issue of reforming Guinea's market structure should also be raised to reduce Guinea's vulnerability to price shocks.

WFP should schedule a follow-up assessment with partners in order to capture the incremental caseload caused by high prices in rural areas, and closely collaborate with the SEFFAN survey of urban Conakry to monitor food security and nutrition trends.

The WFP country office requires urgent support to be able to deliver assistance in the coming months, especially in the area of nutrition, food security and vouchers.

## **Introduction**

### Background

Guinea is a low-income, food deficit country of 10.2 million, ranked 160 in the 2007 UNDP Human Development Report. In the past 15 years, Guinea hosted refugees and dealt with internally displaced populations. During this time Guinea's economy experienced low growth and double-digit inflation. In January and February 2007, Guinea went through strikes that featured confrontations between security forces and demonstrators in urban areas. The reformist government that had been constituted was dismissed in May 2008.

High food and fuel prices were triggers of the unrest of 2007. There is concern that the recent worldwide increases in commodity markets could again jeopardize the country's political stability. Gas prices increased 62 percent on April 1st, and retail rice prices have increased by 85 percent in the past year, leading Guinea's partners to fear renewed political tension and violence. The dismissal of the Government led by Lansana Kouyaté in May 2008 is leading to renewed political uncertainty.

Food security is a chronic phenomenon in Guinea. In spite of a strong agricultural potential, the country imports approximately a third of its rice needs. WFP estimates that 6 percent of rural households are severely food insecure<sup>1</sup>. Global acute malnutrition affects 9 percent of Guinean children. Food insecurity is linked to poverty, which affects 53 percent of the population<sup>2</sup>.

There is concern that higher prices could lead to a decline in the quantity and quality of food consumption, and lead to higher rates of global acute malnutrition, especially during the upcoming lean season. This context led the WFP country office to request a rapid assessment to take stock of the situation and make recommendations for response.

### Objectives

The objectives of the assessment were to:

1. Analyze current and future outlook of food and fuel prices;
2. Assess the current and foreseen impact of high market prices on urban food security, and;
3. Analyze immediate, mid-term and long-term response options in urban and outlying areas.

### Methodology

The short timeframe of the mission – which was in country for a few days only - led the team to focus on secondary data and working meetings with key partners in the field of food security and nutrition.

Secondary data was obtained from the Agence de Commercialisation Agricole and Dynafiv for food prices. The mission met with the food security cluster, which includes Government, UN agency and NGO participation. In-depth working sessions took place with the Ministry of Agriculture, with UNICEF, OCHA and the NGOs ACF, HKI, TDH as well as the national NGO AIME. Key informant interviews took place with the National Chamber of Agriculture and REGOSA, the national food trader's network.

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<sup>1</sup> VAM 2004

<sup>2</sup> PRSP II

Limited primary data was collected through a checklist from six traders (wholesalers and retailers) in Conakry's Madina and Taouiya markets. As such the analysis of market structure is based on a small sample. Unstructured group interviews with casual laborers took place at Madina and Coléah markets. Information on terms of trade for casual labor urban livelihoods is thus limited by small sample size.

After discussing the issue with partners, the mission opted not to carry out primary household-level data collection. The anthropometric and household food security data presented in this report that pertains to Conakry's most deprived neighborhoods is based on data from the HKI 'Suivi des Enfants, des Femmes et des Familles en Alimentation-Nutrition' (SEFFAN), gathered in urban Conakry, in March 2008<sup>3</sup>.

Lack of strong data is the main limitation of the present report: primary data is far from representative, and secondary data on food security is either dated or limited in terms of geographic scope. The mission has made recommendations to strengthen food security and nutrition monitoring in the future to improve WFP and partners' knowledge base. The mission also recommends that an in-depth follow-up assessment take place that could undertake a representative country-wide data collection exercise to produce a more accurate representation of food security in Guinea.

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<sup>3</sup> SEFFAN receives funding from USAID/OFDA.

## 1. Country Context and Socio Economic Impact of Price rises

Violent strikes in January and February 2007 resulted in the appointment of a consensus government led by Lansana Kouyaté. Following general strikes in January and February 2007, the Kouyaté Government – dismissed in May 2008 – attempted to implement measures that aimed at reducing the cost of the food on urban markets, including restrictions on money supply growth, fuel subsidies, the reduction of custom duty for imported rice, the use of a special exchange rate for the import of rice and the application of a food export and re-export ban.

### Social context

Guinea has a population of 10.2 million<sup>4</sup> that is both young – 41.5 percent below age 15 – and fast-growing, with a gross birth rate of 38.4 per 1000. The country's population doubles every 27 years. Islam is the religion of 85 percent of Guineans.

### Education and Health

There is high gender inequality for education. The literacy rate for women is only 16.1 percent, compared to 44.1 percent for men. This reflects poverty's gendered dimension in Guinea.

The ever-decreasing budget allocated to the Ministry of Public Health and low disbursement rates are major constraints to access to health. As a result there is a low contraceptive prevalence, estimated at 9 percent. Some 38 percent of deliveries are assisted. Guinean women have 5.7 children on average. Malnutrition is higher among women with low education levels. According to the 2005 EDSG, the prevalence of HIV is 1.5%. Between 70,000 and 112,000 persons are thought to be living with HIV/AIDS.

### Urban context

According to UNDP, the population is 32.6 percent urban. Guinea has 38 urban communes (compared to 303 rural ones). The capital Conakry accounts for 51 percent of the urban population. Other main urban centers include Nzérékoré and Kankan.

The capital, thought to have some 1.8 million inhabitants, is built on a narrow 36 kilometer-long peninsula jutting into the Atlantic Ocean. Transportation is limited to three parallel axes. Population density is some 2500 inhabitants per square kilometer<sup>5</sup>. The city suffers from anarchic urban planning and poor infrastructure. The city's layout implies significant security constraints as central Conakry, including government offices, the port and warehouse facilities, is separated from the rest of the country by the restless deprived neighborhoods of Matoto and Ratoma (see map below). The World Bank considers 13 percent of poor people in Conakry as 'very poor'<sup>6</sup>.

Conakry is administrated by a Governor assisted by a City Council; Five communes administrated by an elected mayor assisted by a Communal Council composed of 4 members; 98 *Quartiers* (neighborhoods) administrated by an elected *Chef de quartier* assisted by a *Conseil de quartier*; *Quartiers* are sub-divided into sectors.

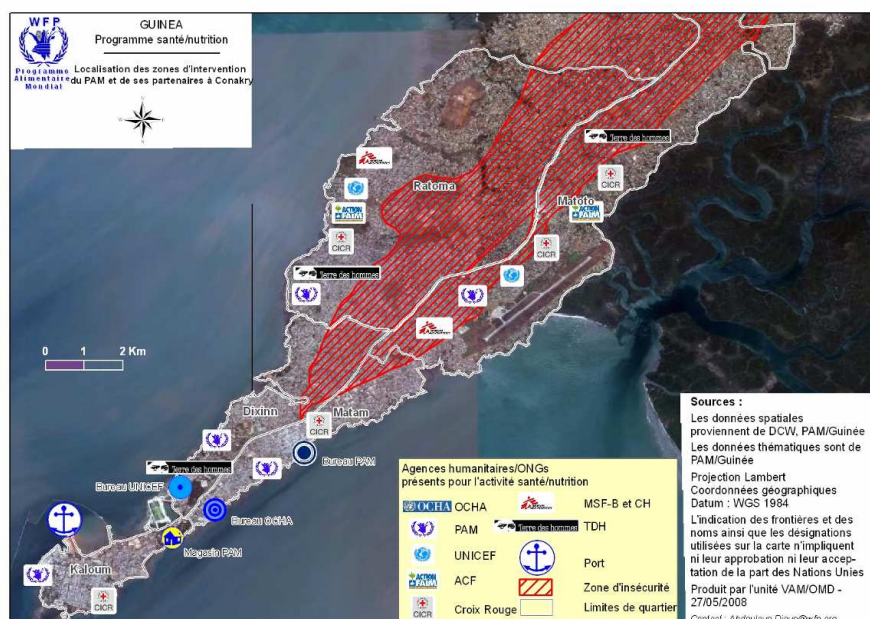
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<sup>4</sup> The 10.2 million figure is the DNS estimate for 2008.

<sup>5</sup> Quoted in the 2005 WFP VAM survey

<sup>6</sup> Questionnaire des Indicateurs de Bien Etre de Base, 2002





## Recent macro-economic performance

Guinea's recent economic performance is one of modest gross domestic product growth and double-digit inflation (Table 1). Real GDP per capita is increasing mainly through the expansion of the industrial mining sector in a context of high world prices for bauxite and gold. The high inflation rate in Guinea has been a consequence of expansionary monetary policy, meant to finance the fiscal deficit<sup>7</sup>. Price inflation is slowing, as money supply growth is being brought under control. The national currency is expected to continue devaluating in 2008 and 2009, further increasing nominal prices for imported goods. Guinea is a low-income country.

Table 1 – selected macroeconomic indicators

	2005	2006	2007	2008 (est.)	2009 (est.)
Real GDP growth USD <sup>8</sup>	3.3	2.2	1.5	4.9	5.2
Consumer price inflation (end of period)	29.7	39.1	15.0	10.0	7.0
Gross official reserves (months of imports)	n/a	n/a	0,4	1	2.1
Exchange rate GNF:USD (average)	n/a	5350	4537	6500	8500

Source: IMF, EIU

Although not the worst in West Africa, the logistics performance of Guinea is mediocre. The World Bank ranks the country 62<sup>nd</sup> worldwide for logistics performance<sup>9</sup>. Guinea scores lowest in infrastructure and the management of international shipments. Fuel costs accounts for one quarter of transport cost on short trips, one-third of cost on longer legs. During the June to October rainy season, entire sections of the country are cut off from main roads.

Statistics on food production and availability are widely disputed. At the March 2008 meeting of CILSS<sup>10</sup> countries, Guinea claims to have produced some 900,000 tons of rice<sup>11</sup>. Coarse grain production<sup>12</sup> is estimated at some 600,000 tons. There is also

<sup>7</sup> IMF, 2008 and <http://www.imf.org/external/pubs/ft/scr/2008/cr0833.pdf>

<sup>8</sup> 1 USD = 4510 GNF at the time of the mission (May 2008)

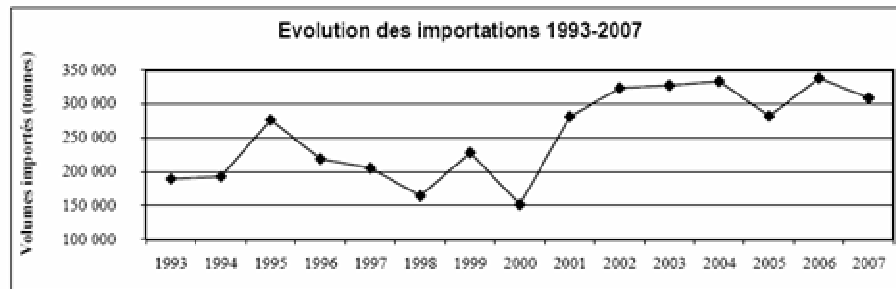
<sup>9</sup> <http://info.worldbank.org/etools/tradesurvey/Mode1a.asp>

<sup>10</sup> Comité Inter Etatique de Lutte Contre la Secheresse au Sahel

<sup>11</sup> Some key informants claim that agricultural statistics are weak, that local rice production could be as low as 700,000 tons.

<sup>12</sup> In order of importance maize, fonio, sorghum and millet

substantial tuber production. Nonetheless, Dynafiv indicates that some 300,000 tons of rice are imported every year (graph1 below). The Agriculture Marketing Agency (ACA) claims that less than 1 percent of cereal production is exported. Rice is the staple food in urban areas, in Lower Guinea and in Forest Guinea. Guineans are thought to consume 100kg of rice per capita per year, making it the single most important cereal consumed in the country. Imported rice is a well-established staple in Conakry and other urban areas, and is of increasing importance in some rural areas.



Source : Importateurs

National food policy is clearly geared towards favoring low food prices in urban areas. An export ban of all food, fish and forest products came into effect in the aftermath of the 2007 strikes and remains in place to this day. According to the ACA, the policy has harmed vegetable and fruit production - one-third of which was exported prior to the ban- without durably restraining food prices in urban areas. Worse, neighboring countries have retaliated by banning food exports to Guinea. Manioc flour and pulses from Sierra Leone are becoming rare in Conakry markets. Although borders are known to be porous, the export ban has disrupted the normal flow of trade in food products.

### Magnitude of domestic food price changes

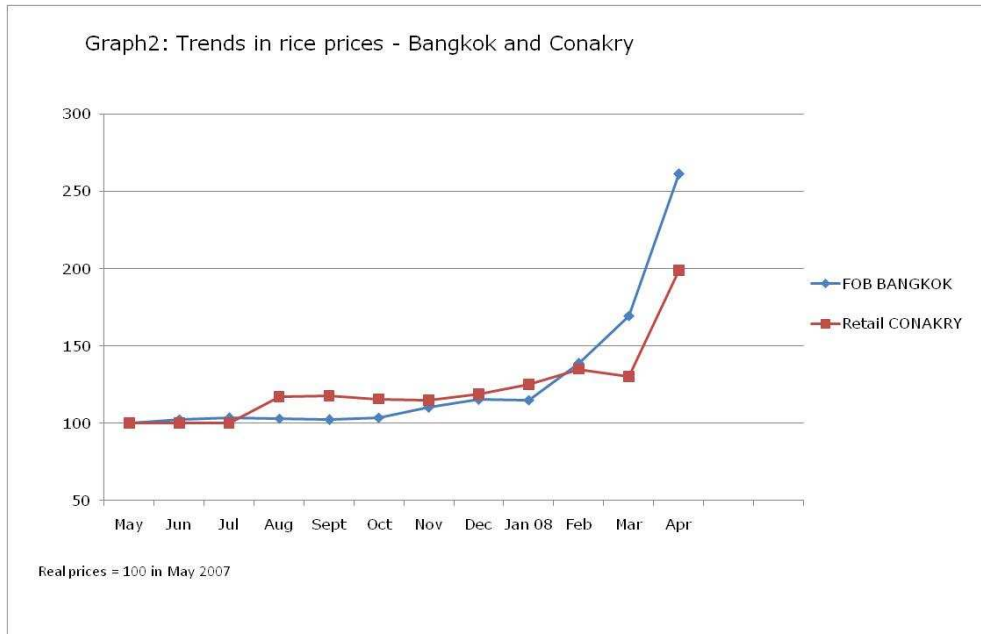
Imported rice accounts from one quarter to one third of all rice consumed in Guinea<sup>13</sup>. As such this section focuses on price trends for this key commodity.

Imported rice prices have increased by 85 percent in real terms in Conakry. Dynafiv figures show that a kilo of imported rice, worth 2000 GNF in May 2007, now costs 4000 GNF. The increase should be kept in perspective: a year ago, the new post-strike government had taken drastic measures to keep food prices low, including a food export ban. This makes the increase appear larger than it would otherwise. The price increase since the month of January 2008 has been drastic, with prices increasing from 2500 GNF to 4000 GNF in the space of four months. In spite of this trend, imported rice remains 10 percent cheaper than local rice. The high production cost for local rice, related to poor infrastructure and high labor costs may explain this lack of competitiveness.

Higher international costs for rice seem to be the main factor explaining the increase in imported rice prices in Conakry over the past year. As illustrated below (graph2), imported rice prices in Conakry<sup>14</sup> closely mirror that of the FOB price of 100 percent broken rice in Bangkok. This suggests the main cause of the increase in price of rice in Conakry is the global rise of the cost of the commodity.

<sup>13</sup> Dynafiv shows imports of circa 300,000 mt and a total rice consumption in Guinea of some 1m tons.

<sup>14</sup> Real (adjusted for inflation) and retail.



Sources: Dynafiv, FAO, IMF and RESIMAO

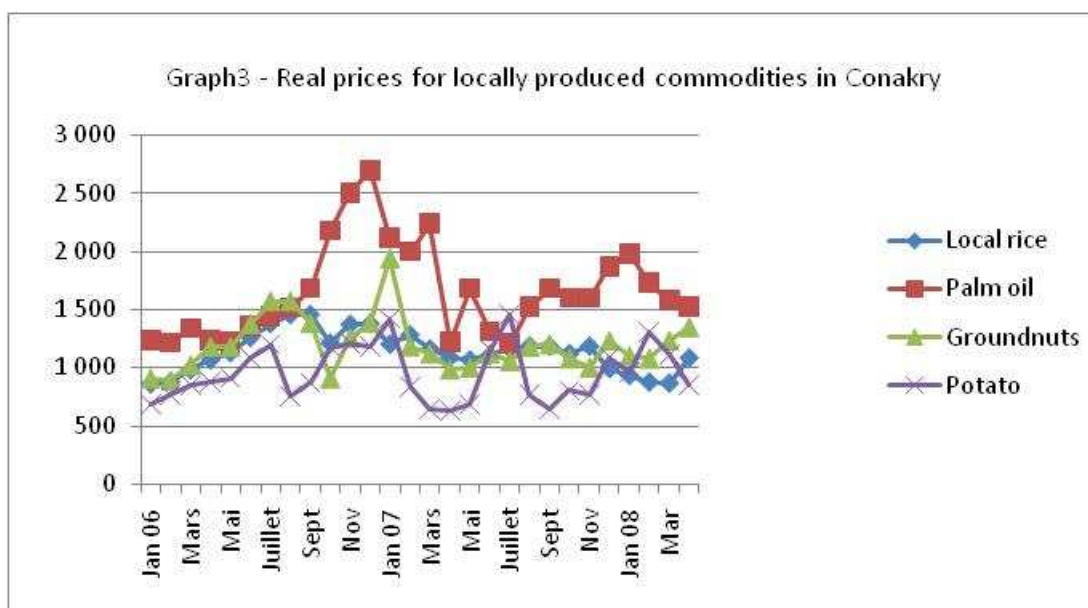
Exchange rate trends may also have played a role in the price rise. A parallel market exists for the Guinean franc, and an increasing 'dollarization' of the economy is noted. According to an IMF paper published in January 2008<sup>15</sup>, the Guinean Franc's real exchange rate appreciated in early 2007, reflecting market expectations of sounder macroeconomic management following the strikes. This appreciation of the real exchange rate in mid-2007 may have during that time limited the transmission of higher world prices on the local market. Nonetheless, it seems that this trend has been since reversed and may explain part of the increase in price of imported rice<sup>16</sup>.

As mentioned earlier in this document, high inflation is a structural phenomenon in Guinea. Unfortunately no food-price inflation data could be found from authorities or other sources that could explain the relationship between the overall increase in prices and food prices.

Although real imported rice prices have significantly increased, real price variation for local staples has been more moderate. When adjusting for the high level of inflation in Guinea, the prices of local rice, palm oil, groundnuts and potatoes have remained fairly stable outside seasonal variations (graph3).

<sup>15</sup> <http://www.imf.org/external/pubs/ft/scr/2008/cr0833.pdf>

<sup>16</sup> According to the IMF the effective rate of exchange started depreciating again in late 2007. The nominal exchange rate has depreciated from a high of 3500 per USD in August 2007 to 4500 per USD in May 2008. The IMF has not reported on Guinea's real exchange rate since January 2008.



Source: ACA for price data, IMF for CPI

Seasonal patterns largely influence the price of staple foods in Guinea. Peak prices occur in June, July and August when household food stocks are lowest. The coarse grain harvest and rice harvest in the latter half of the year have a moderating effect on food prices. Peak prices for local palm oil are in the off-season, in the last quarter of the year.

### Socio economic impacts

The Government's 2008 budget deficit represents 8 to 10 percent of GDP according to an estimate from the EIU. This was prior to announcement of government intentions to set up a buffer stock and to promote agricultural production. It is likely that the incoming Government will find its ability to act restricted by the high level of external debt, estimated at 250 percent of exports of goods and services. Guinea's current account balance is negative - 8.5 percent of GDP according to the IMF - in spite of a favorable context for its mineral exports. Gross official reserves only cover 0.4 months of imports. In 2005, 22 percent of Guinea's imports were for food and 23 percent for fuel. The price shock affecting both these commodities is expected to exacerbate Guinea's trade deficit and contribute to the devaluation of the Guinean franc.

Socio political instability may follow from the high level of prices. In July 2004 trucks carrying rice were attacked by the population in Conakry. The strikes of early 2007 were in part due to the perception of the high cost of living. The price of imported rice is a sensitive political issue, and as such authorities do not hesitate to intervene in the import and marketing of rice ('special' exchange rate, tax breaks, etc.).

According to the EIBC (Enquête Intégrale Budget-Consommation, 2006) over 53.6 percent of the population live below the poverty line. Women are disproportionately represented among the poor. Poverty in Guinea is mainly a rural phenomenon, with 70 percent of the poor in rural areas. The distribution of wealth is highly unequal; Guinea has a Gini index of 0,403. Households in the poorest quintile only account for 6.4% of total consumption. Guinea's unequal distribution of wealth may explain why the rising cost of food and fuel are so politically sensitive.

Household level data allowing risk assessment using a cost of food basket approach was not available.

## 2. Impacts on markets and traders

According to key informants, the rice import sector is monopolistic, with significant state intervention in the organization of trade. Rice imports are almost exclusively channeled through Conakry port, whose infrastructure and function are not adequate. This may explain why in May 2008, Conakry has the highest cost for retail rice in US dollar terms at 95 cents per kilo, well above prices seen in selected neighboring countries (Table2). At 95 cents per kilo the price is similar to that of landlocked Burkina Faso – not of a port with direct access to the world market.

Table2 - Retail rice prices in May in selected markets

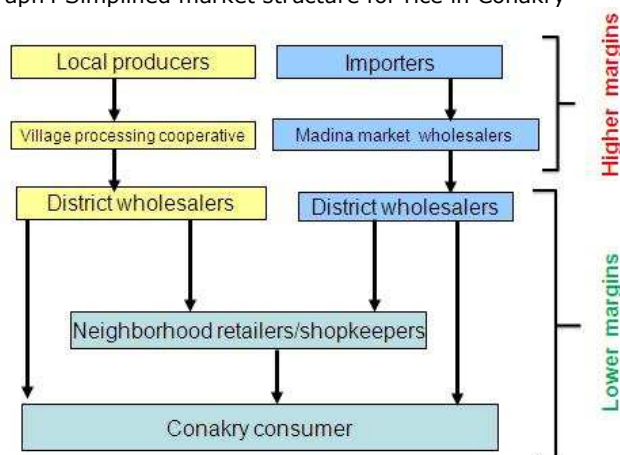
Market	USD/ kg
Dakar Tilène	0,77
Bissau Bandim	0,89
Conakry Madina	0,95
Monrovia	0,64
Bamako Niaréla	0,77
Ouagadougou Sankaryaré	0,95

Sources: RESIMAO, WFP.

An import parity calculation shows that retail prices will increase by another 15 to 20 percent should importers buy rice at the cheapest source at mid-May 2008 - Pakistan at 800 USD per ton. Current (high) prices in Conakry do not provide a strong incentive to import rice, a fact that reinforces doubts as to the resilience of the rice import system. A conflict between the state and the company responsible for imports is the subject of much speculation in the local press<sup>17</sup>. This dispute could conceivably cause disruption in the supply of rice to the market. Wholesalers and retailers are confident in their ability to increase quantities for sale on the market – should importers have stocks available.

According to key informants the strategic rice import market does not function according to the rules of unfettered competition and transparency of information. Dynafiv bulletins claim that importers made profit margins from 3 to 13 percent during the last quarter of 2007. The trader survey shows lower margins for retailers, which may suggest market fragmentation (Graph4). This issue deserves further investigation, namely by assessing the size of margins across a larger sample of retailers and checking whether bags sold to retailers actually weigh a full 50 kilos.

Graph4 Simplified market structure for rice in Conakry



<sup>17</sup> <http://www.radio-kankan.com/Nouvelles-Radio-KanKan.838+M5fbb3752cab.0.html>

It is possible that higher imported rice prices have had a positive effect on local rice producers. As the mission did not meet with local rice producers, and as no reliable secondary data on the market chain for the product were found, the question remains open.

Wholesalers who buy directly from importers claim that they pay cash on delivery and make limited use of credit. Access to formal sources of credit is low, as interest rates are high in the banking sector. As a result, credit is provided on the basis of trust or family relationship. Access to short-term, zero-interest credit is common for retailers. Wholesalers make loans to retailers over two or three days, the retailers reimburse when they next restock. The credit-granting wholesalers and retailers in the sample claimed that there is increased demand for credit from retailers, as well as increased default rates compared to last year. One trader claimed he has stopped providing credit because of high default. Four of five retailers that noted changes in buyer behavior claim that buyers are purchasing smaller quantities.

Compared to a year ago the commercial food system in Conakry is straining due to low demand and increased costs, in a context where credit is rare and risky. Five of six interviewed traders blame slow economic conditions (low demand, high prices) for their difficulties in running their business.

Imports of rice are increasing in the run up to the lean season, when traders turn over their biggest volumes between the end of mango season and the first harvests. Visited traders' warehouses were packed with rice. This stock building in a context of very low demand may explain why rice prices in Conakry dropped by 10 percent in mid-May<sup>18</sup>.

Markets for cereals and other agricultural commodities are depressed due to the export ban. This export ban could have the long term consequence of making Guinean produce – such as fruits and vegetables - lose market share to competitors in the region<sup>19</sup>.

Market integration is high in Guinea. Table2 shows that Conakry and the Kindia, Labé and Nzérékoré markets seem to vary together, with correlation coefficients above 0,6 for local rice in 2006-2008<sup>20</sup>. Graph5, showing price trends on these five markets, illustrates a high degree of co-movement. The spike in early 2007 is presumably due to the unrest that affected the country at the time, which disrupted internal trade.

Table2 – correlation coefficients between major Guinea markets (local rice).

	<b>Conakry</b>	<b>Kankan</b>	<b>Kindia</b>	<b>Labé</b>
Conakry				
Kankan	0,66			
Kindia	0,91	0,70		
Labe	0,85	0,51	0,84	
Nzérékoré	0,69	0,70	0,67	0,79

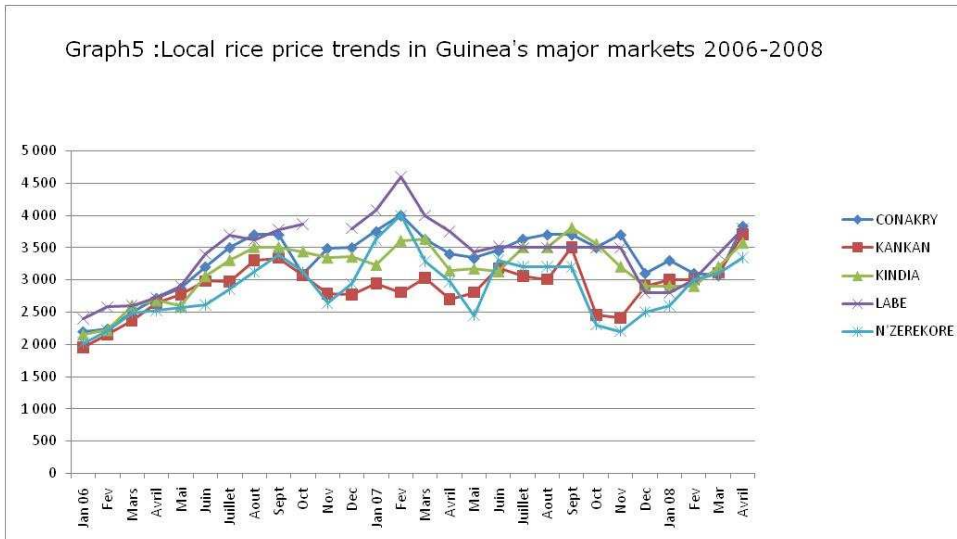
Source: from ACA data.

<sup>18</sup> From 220.000 GNF per 50kg bag to 200.000 GNF per bag

<sup>19</sup> Although Guinea is not a big cereal exporter, approximately one third of Guinean fruits and vegetables were exported prior to the export ban according to the ACA.

<sup>20</sup> Monthly time series provided by the ACA, one outlier removed (Labé Nov 2006).

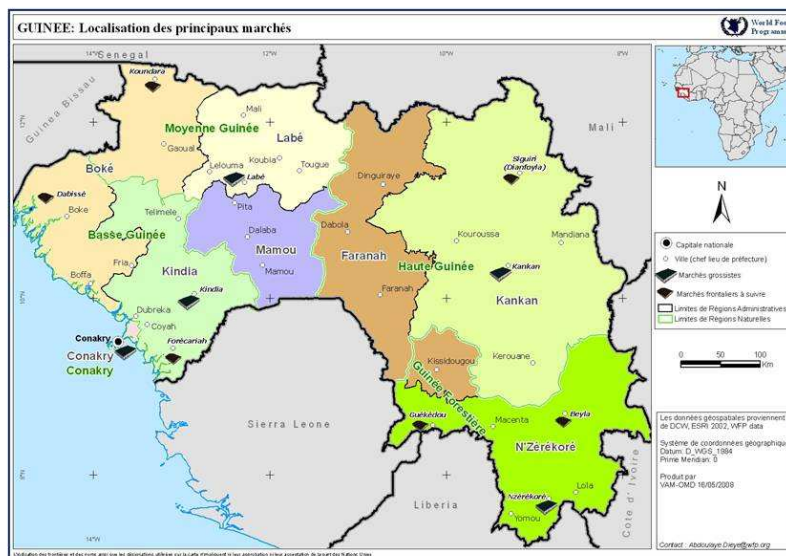




Source: from ACA data.

Commodity market monitoring could focus in the future on those identified on map1 below. In addition to the wholesale markets in Conakry, Kankan, Labé and Nzérékoré, monitoring border markets could provide information on food imports and the degree to which export restrictions are affecting trading patterns.

Map 1: key markets in Guinea



### 3. Impacts on Household Food Security and Profile of People most affected

#### Household food consumption

Should Guinea be able to import food, the vulnerable and food insecure would not necessarily be able to pay for it. The PRSP II estimates that 35 percent of Guineans regularly have problem feeding themselves. The mission confirmed that food consumption is getting worse and is likely to continue worsening through the lean season. The mission's conclusions on urban food consumption are based on information obtained through the HKI SEFFAN survey in urban Conakry. This survey, implemented in collaboration with the Ministry of Health in March 2008, collected data pertaining to

activities, expenditures, food consumption, survival strategies and nutrition from 200 households in five of Conakry's most deprived neighborhoods.

SEFFAN data analyzed with the FANTA method<sup>21</sup>, in table 3, shows that 39.5 percent of households consumed seven or fewer food groups in the 24 hours preceding the survey<sup>22</sup>. Some 10.5 percent of households consumed five or fewer food groups<sup>23</sup>.

Table 3 - Household dietary diversity classes in urban Conakry (March 2008)

HDDS score (number of food groups consumed, 24-hour recall)	Frequency	Percentage of households	Cumulative Percent
0	1	0,5%	0,5%
1	0	0,0%	0,5%
2	0	0,0%	0,5%
3	4	2,0%	2,5%
4	6	3,0%	5,5%
5	10	5,0%	10,5%
6	22	11,0%	21,5%
7	36	18,0%	39,5%
8	36	18,0%	57,5%
9	38	19,0%	76,5%
10	31	15,5%	92,0%
11	13	6,5%	98,5%
12	3	1,5%	100,0%
<b>Total</b>	<b>200</b>	<b>100%</b>	

Following the survey, a 62 percent fuel increase took place and imported rice prices continued to rise. It is reasonable to assume that food consumption may have declined since the data was collected. May is mango season in Conakry, making the fruit a big contributor to household diets. Interviewed retailers complained that low demand was in part due to the annual mango season.

### Nutrition

The SEFFAN survey show that global acute malnutrition affected 11.8 percent of children aged 6-59 months in such areas. Some 21 percent of children of this age group were chronically malnourished. Some 9 percent of women had a body mass index under 18.5. These numbers are expected to rise during the months of the mango season and continue rising during the lean season. For many households food consumption is already poor and higher prices will likely lead to continued low dietary diversity, which may contribute to increased malnutrition in the coming lean season months. Comparative information on nutrition to capture seasonal variation was not available.

An ACF 'SMART' nutrition survey in Conakry showed a 7.1 percent malnutrition rate in December 2007. The ACF survey's methodology did not focus exclusively on the most deprived areas of Conakry, explaining part of the discrepancy.

### Household food access

<sup>21</sup> [http://www.fantaproject.org/downloads/pdfs/HDDS\\_v2\\_French.pdf](http://www.fantaproject.org/downloads/pdfs/HDDS_v2_French.pdf).

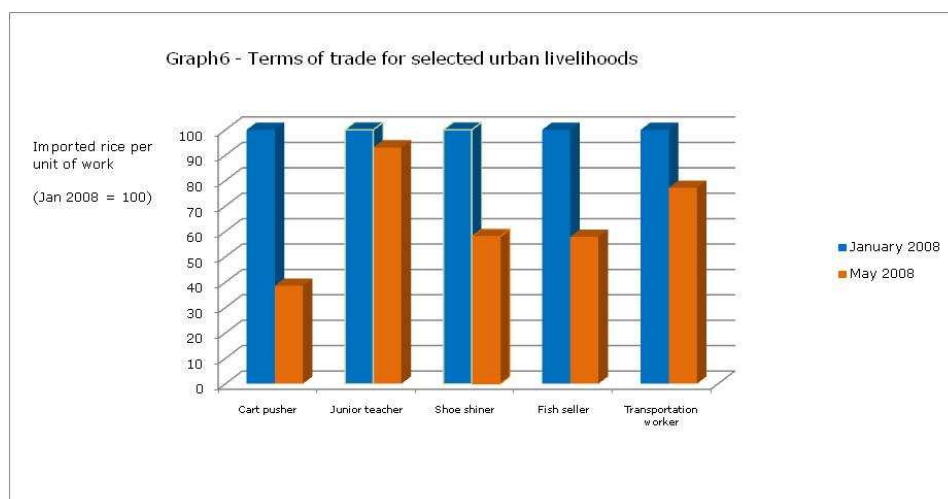
<sup>22</sup> A household wealth index was used to classify households in wealth terciles. The poorest third of the sample consumed an average of 7 food groups in the 24 hours preceding the survey.

<sup>23</sup> The cutoff used to establish the 'poor and borderline' category is 5 and below, an informal standard for HDDS analysis. Households having consumed 6 groups and above are considered in the 'adequate' dietary diversity category.



## Urban areas

A rough analysis of some terms of trade patterns in Conakry gives a broad idea of the degree to which the crisis could have affected food access for certain groups in the short term. In the graph below, all groups' terms of trade are indexed at 100 in January 2008, and are again calculated in May 2008 at the market rates for imported rice and a unit of labor<sup>24</sup>. Seasonality issues are not considered a major limitation, with the possible exception of fish mongering<sup>25</sup>. It should be noted that the approach remains a relative measure of food access and is not meant to determine absolute purchasing power.



Source: WFP, ACA data.

This analysis shows that some categories – such as civil servants, salaried workers, and transport workers – have benefited from an upward adjustment to their income in April, and have thus been more successful at defending their food access since January 2008 (Graph6). Other categories that cover informal, casual and unskilled labor – i.e. price-taking occupations that offer little bargaining power – have seen their terms of trade decline significantly. These conclusions should be taken with a fistful of salt as they are not drawn from a representative sample of urban livelihoods.

Data from the SEFFAN survey confirms that food access in Conakry's deprived neighborhoods is difficult, especially for households relying on petty trade and unskilled or casual labor, corroborating to some extent the terms of trade exercise. According to SEFFAN data the households with 'poor' and 'borderline' dietary diversity scores rely on odd jobs (25 percent)<sup>26</sup> and petty trading (50 percent). Many households with an 'adequate' dietary diversity score also make their living from petty trading (34 percent). Nonetheless but the 'adequate' category also includes households skilled labor (22 percent), shop keeping (16 percent) and salaried work (15 percent).

QUIBB data shows that one quarter of poor urban households are renters. The rest either own their houses or stay rent-free. Assets are limited; only 1.5 percent of poor urban households own sewing machines. SEFFAN data indicates that households in the most deprived neighborhoods of Conakry spend 61 percent of their income on food – and this was prior to the fuel price increase of April, suggesting that this proportion can

<sup>24</sup> January-April 2008 is the period when prices rose most dramatically, making it a good reference for this analysis. Information on civil servant salaries was obtained from the Ministry of Education. The regulated price of transportation is in the public domain. Informal interviews with casual laborers at Madina and Coleah markets and with fish mongers at Coléah wharf provided the basis for the calculations for those trades.

<sup>25</sup>The Ministry responsible for fisheries claims that the catch from traditional fishermen in Conakry varies with the tides and weather. Nonetheless, when fish is scarcer unit prices rise, allowing people engaged in fishing to defend their terms of trade if rice prices remain constant.

<sup>26</sup> 'Odd jobs' are taken to mean unskilled and temporary occupations.

continue to rise. This statistic is to be compared to a value of 50 percent in rural areas according to the 2005 WFP VAM survey. At the time of the SEFFAN survey, 58 percent of interviewed households claimed that they frequently lacked money to buy food.

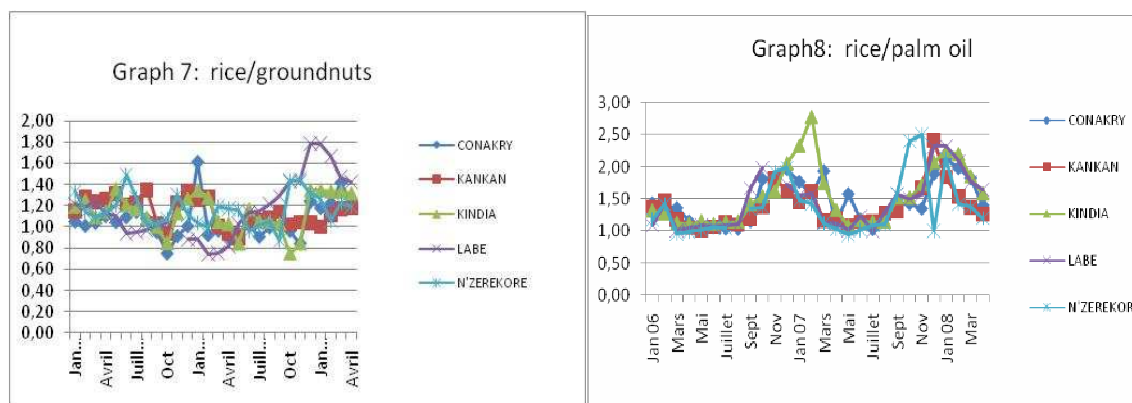
Food access difficulties are leading households to implement survival strategies in Conakry; SEFFAN data shows that 29 percent of households in the sample have reduced the number of meals taken per day in the past month. The same data shows that 87 percent of households have reduced consumed quantities in the past month. 80 percent of households are consuming less preferred foods and 22 percent of households report selling belongings to buy food. Food consumption is clearly in a worsening trend.

No data was available for urban areas other than Conakry.

### Rural areas

At the time of the survey terms of trade for rural cash-croppers are in line with trends since 2006 (Graphs 7 and 8). Palm-oil producers have experienced a seasonal drop in their terms of trade, associated with the annual peak palm-oil season. Nonetheless, rural livelihoods are under threat from the export ban which may continue to affect cash-cropper revenue. According to the 2005 WFP VAM survey, cash crops are the main income source for 30 percent of the rural population.

The mission was not able to assess recent food access patterns for subsistence farmers as their livelihood is not entirely captured in this 'terms of trade' analysis. QUIBB data shows that 22 percent of rural households own less than one hectare of land, and that 43 percent of them own no livestock, which indicates that a significant proportion of rural households lack the productive assets to seize the opportunities that stable terms of trade offer. The VAM survey states that 36 percent of 'severely food insecure' category have cash cropping as their main income source, the other being subsistence farming.



### Food security status

The best information on rural food security remains the 2005 VAM report, whose conclusions indicate that approximately 6 percent of the rural population is 'very vulnerable' to food insecurity. Assuming that Guinea has a population of 10.2 million, with a 32.6 percent urbanization rate, some 378,000 persons in rural Guinea are considered structurally food insecure.

Table 4 – Food security classes (VAM 2005)

Food security class	% of total rural population	Number of persons
'Very vulnerable'	5,5%	378 114
'Vulnerable'	17,2%	1 182 466
'Not vulnerable'	38,1%	2 619 299
'Surplus'	39,2%	2 694 922

The 'very vulnerable' class – who should be targeted in priority – is composed of large households with more than 11 members. Almost all - 98 percent - of these households practice agriculture. Agricultural production satisfies less than 30 percent of the food needs of this group. During the lean season the 'very vulnerable' consume one or two meals a day. Some 64 percent of these households have no durable assets.

The 'vulnerable' class (17 percent of the rural population) has more diversified income sources, more assets including some livestock. As a result this group has a higher capacity to cope with shocks than the 'very vulnerable' class. Nonetheless the class activities are insufficiently diversified to guarantee adequate yearlong food consumption. This group probably includes households that would fall into food insecurity as a result of the price shock. The extent to which has yet to be determined, doing so should be a priority for food security monitoring in the coming months.

Urban food security is more difficult to gauge, as representative food consumption data was not available at the time of the mission. The households with poor food diversity scores are located overwhelmingly in the neighborhoods of Matoto and Ratoma in Conakry (although the class is also present in smaller absolute numbers in more central areas), also hard-hit by the 2007 cholera epidemic. SEFFAN data shows these households mostly subsist on casual labor or petty trading. The mission felt that the SEFFAN data was too limited in scope to allow a calculation of the urban caseload in Guinea. As such, and although this is not common practice at WFP, the mission had to rely on existing nutrition data to estimate a number of people in need of assistance.

Some 7.1 and 9.1 percent of children 6-59 months are vulnerable to malnutrition in Conakry and in upcountry urban areas respectively. If one accounts for the families of these children, and assuming a household size of five, some 255,000 urban dwellers can be considered food insecure, of which 115,000 in Conakry.

A follow-up assessment should focus on:

- estimating the increase in the 'very vulnerable' category that the high price shock has caused in rural Guinea;
- assessing the extent of food insecurity in upcountry urban areas, and;
- monitoring the evolution of urban vulnerability in Conakry through monthly SEFFAN data in collaboration with HKI.

#### Profile and caseload of people in need of assistance

The table below, summarizing the analysis above, shows that some 623,000 people will require food assistance during the lean season. Of these WFP should aim to reach 458,000:

<b>Additional caseload June-December 2008</b>	
<u>Gross lean season needs</u>	Persons
Rural = 5,5% severe food insecure	378 000
Urban excl. Conakry = 9,1% GAM children, plus four family members	139 000
Urban Conakry = 7 % GAM children, plus four family members	116 000
<b>Total lean season needs</b>	<b>633 000</b>
<u>Existing level of WFP lean season coverage</u>	
PRRO	5 500
CP	9 730
<b>Total covered (appx)</b>	<b>15 000</b>
<u>Net lean season needs to cover</u>	618 000
<u>Recommended additional WFP intervention</u>	
Family rations through schools (rural)	378 000
Extension of supplementary feeding coverage, discharge ration (rural and urban)	80 000
<b>Total caseload increment for WFP</b>	<b>458 000</b>

The caseload not covered by WFP is entirely in urban areas, where security and short-term capacity considerations argue against an over ambitious intervention. The possibility to expand nutrition programs in Conakry and in other urban areas remains limited by health centers' capacity to increase their caseloads on the one hand and by the limited number of health centers to which activities could be rolled out on the other<sup>27</sup>. The mission recommends that the government and the food security and nutrition thematic group discuss ways of increasing the short term capacity of partners working on these issues in urban centers.

### **Rural areas**

In rural areas, some 378,000 people in the 'very vulnerable' category require assistance. These are mainly subsistence agriculturalists who purchase their food during the lean season and whose children are at specific risk of increased malnutrition due to the group's weak coping mechanisms. The three regions of Haute Guinée, Moyenne Guinée, and Guinée Forestière appeared in the most recent VAM study as the most food insecure. This situation can only have deteriorated under the current circumstances. In addition, food insecurity is expected to rise in Guinée Maritime. Immediate WFP intervention in this area is not recommended due to the limited short-term capacity to do so.

Rural areas should be targeted through the lean season, June, July and August. Family discharge rations can be provided at existing health centers for the existing caseload, and the remainder of the caseload targeted through schools in the form of a monthly dry ration (an arrangement will have to be found with the Ministry of Education to do dry ration distributions in schools during the summer break). Lean-season assistance will be relayed by regular programming modalities such as school feeding, MCH and food for work interventions as of September 2008.

### **Urban areas**

In urban areas, as many as 255,000 people could require assistance, based on nutritional status. Nonetheless WFP and its partners lack the short-term capacity to reach such a caseload. Trying to reach such high numbers under the specific security constraints of Conakry could be an operational liability.

<sup>27</sup> For instance in Conakry it is not tough possible to expand activities to more that approximately 15 health centers at the moment.

The mission therefore estimates that at most, WFP should aim to bring its activity level from 4,000 beneficiaries in urban Conakry to 35,000 beneficiaries during the lean season. Should 50,000 additional beneficiaries be targeted through health centers in urban areas in other parts of Guinea, the additional caseload in urban areas could be brought to 80,000 during the lean season. Although the new health-based caseload may seem high, 80 percent of it is accounted for by the family ration. 'Core' beneficiaries – malnourished children – will nonetheless have to roughly triple to reach the objective, which will require an immediate increase of WFP and partner capacity in nutrition. The use of nutrition criteria for targeting in urban areas will allow WFP to avoid the pitfalls of general urban distributions, which entails a very difficult targeting exercise.

Urban areas should receive targeted support from June to December, at which time a new analysis of the situation will be necessary to determine what type of assistance, if any, should be provided in 2009. Due to security and logistics constraints, it is not recommended to pursue urban interventions that go beyond an intensification of existing activities in health centers in Conakry and other urban areas.

The largest cities in Guinea – Conakry, Nzérékoré and Kankan might be the most affected. In Conakry, the mission has considered the outlying Matoto and Ratoma districts as the most affected. Within Matoto, the quartier of Bonfi is considered the most vulnerable. Within Ratoma, the quartiers of Koloma and Dabondy 1 should be prioritized.

#### Children 6-59 months

In Conakry, the number of children 6-59 months is 250,000 to 300,000 depending on estimates of the age group's size (16 percent for ACF, 17.6 percent for urban areas according to UNICEF).

The number of moderately malnourished children 6-59 months is approximately 20,000, using GAM statistics from ACF (7.1 percent) or UNICEF (6.5 percent). Some 4,500 children are severely malnourished, applying the SAM rate of 1.8 percent (ACF) or 1.2 percent (UNICEF). These numbers will likely rise during the lean season.

The mission recommends the distribution of a 30 day family discharge ration (five persons for the additional ration)<sup>28</sup> to all mothers of children exiting the supplementary feeding programs, as well as a ration for the accompanying mothers of severely malnourished children undergoing the first phase of treatment. The coverage of the family discharge rations should not go beyond December 2008 unless a follow up assessment recommends otherwise.

#### ART patients

Some 23,250 people are in need of ART in Guinea. As of 30 September 2007, only 5,228 (22.5%) had access to ART. In Guinea, ART patients in WFP-supported treatment centers and eligible for food assistance receive family rations under existing guidelines.

### **4. Ongoing Responses to Price Rises**

#### Government policies and actions:

On 2 May 2008, the Government issued an appeal for international assistance to deal with the effects of high food and fuel prices. The Government announced that the following measures had already been taken:

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<sup>28</sup> Effective coverage in the family is five as the child receives a take-home ration

*Direct support to consumers through:*

- Eased access to foreign currency through the Central Bank;
- Negotiation and retrocession of credit lines with financial partners, and;
- Suspension of the 12.5 percent import tax on rice.

*Support to agricultural production through:*

- Emergency support to the 2008 season with fertilizers, improved seeds, veterinary inputs, repair and maintenance of agricultural assets, and;
- Program to intensify rice production and the whole rice supply chain.

To complement these measures, the Government called international assistance to constitute a food security stock of 25,000 tons. The Government also announced the constitution of a Crisis Committee. However as of 18 May, its members were still to be officially appointed - a pre-requisite to the development of an emergency response plan.

Later in May, the Government announced its intention to launch a series of measures in response to high fuel and rice prices, aimed at protecting primarily the most vulnerable population groups:

- Subsidy of transportation for primary and secondary school students (GNF 3.4 billion);
- Increase of the transport allowance to civil servants (GNF 53.46 billion);
- Increase in student scholarships (GNF 8.72 billion);
- Provide emergency food assistance during the lean season (July-September 2008), funding estimated to USD 28 million is to be secured from UNDP, WFP and UNICEF;
- Provide food assistance to primary and secondary school students in urban settings through school kitchen, and to lactating women through health centers (GNF 5 billion), source of this assistance unclear;
- Establish a remuneration system in World Bank project (e.g. Education Pour Tous, Programme d'Appui aux Communautés Villageoises) such as Food-for-Work, and;
- Again, suspending the import tax on rice (GNF 22 billion). This measure is not yet enforced and the Government is considering using the income to subsidize farmers (seeds, fertilizers and pesticides).

The government body in charge of humanitarian activities is the *Service National de l'Action Humanitaire* (SENAH). Its focus has been on refugees and natural disasters, and its capacity remains extremely limited.

On 20<sup>th</sup> May, the President of the Republic of Guinea dismissed the Prime Minister M. Lansana Kouyaté who had been appointed after the protests of January/February 2007. No date has been given for the appointment of a new Government. It is not clear what perspectives are for the implementation of the announced Government plans.

Actions taken by external agencies (including UN, donors, international NGOs)

*Joint WFP-FAO-UNICEF proposal*

Late April 2008, WFP, FAO and UNICEF developed a joint emergency program to respond to high food and fuel prices. It covers the following activities:

*In the short-term:*

- Nutrition (UNICEF) – Treatment of severe acute malnutrition for 2.5 percent of the children 6-59 months over 6 months: UNICEF is already operating in areas most at risk, and plans to scale up its activities to all prefectures to assist 50,000 children and pregnant women. UNICEF currently support 47 Health centers in urban areas (only inputs no community health workers). Based on the findings of the recent national survey, UNICEF is considering expanding its nutritional activities to urban areas that need to be defined.

- Food assistance (WFP) – Provision of rice ration to severely food insecure persons over 3 months: WFP assists 200,000 children in the most food insecure areas through its school feeding program. Schools will close at the end in June, but it is recommended to use the facilities to distribute dry take-home rations.

*In the medium-term:*

- Agricultural support (FAO) – Provision agricultural inputs and tools to 70,000 households in October-December 2008 for gardening (including 4,000 households in Conakry), and to 165,000 households in April-July 2009 for rice and maize production in all the 33 prefectures.

*In the long-term:*

- Assist Government in the formulation and implementation of the National Food Security Program (UNCT)

July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	...
Lean season										Planting season maize - rice			
WFP food assistance													
UNICEF nutritional intervention													
			FAO inputs assistance						FAO inputs assistance				
UNCT support to Government													
WFP regular program													

*IFAD*

IFAD will provide USD 545,000 for seed and tools in Basse Guinée, Moyenne Guinée and Haute Guinée for the 2008 growing season. IFAD is also implementing medium term interventions in the country for a total of USD 20m.

*World Bank*

The World Bank has secured a USD 10m budget to assist the government through the food crisis with short, medium and long-term measures that are to be defined. No intervention has been confirmed yet, but the World Bank is considering assisting in backstopping UN Agencies (WFP, UNICEF) as well as designing structural reforms in agriculture with a view to increasing productivity and production.

The Government subsidized rice in the past, and the intervention did not prove beneficial to the poorest. The rice market remains very monopolistic, and subsidies might not prove effective. As of 13 May, the World Bank had yet to discuss it with the Government. A World Bank mission will visit Guinea in early June.

*European Commission / ECHO*

The priority sectors under the 10<sup>th</sup> FED (2008-2012) are economy, good governance and infrastructure. Still EUR 700m will be received for food security programs, and a food security feasibility study will soon be launched.

*Red Cross Movement*

The National Society is regularly mobilized to assist populations during vaccination campaign, epidemics and to provide first aid. Its capacity to undertake large scale distribution is however questionable. ICRC did not recommend large scale distributions in urban settings (security and capacity issues).

### *Action Contre la Faim (ACF)*

ACF is active in the sector of food security and nutrition in Forest Guinea and Conakry. In Conakry, ACF supports 5 health centers in Matoto commune since February 2008, with an ECHO funding ending in May 2008 (104 children in TFC and 380 in SFC). ACF also maintains a network of 30 *relais communautaires* in Conakry, which refer cases to health centers.

In 2007, ACF had planned to assist 4000 children through 11 health centers, but only 750 could be reached. The objective in 2008 will be to assist 1500 children and pregnant and lactating women. ACF is developing proposals for additional interventions, and will approach WFP for the food assistance components. Possible interventions being considered include: food/cash-for-work projects, support to TFCs, nutritional assistance to ART clients, post distribution monitoring (which was stopped after the end of the refugee program).

ACF conducted a SMART study in Conakry in October 2007, and recently a KAP study in two communes (not yet cleared). In June, ACF is planning a training session on the SMART methodology for Government and NGOs in Kissidougou. ACF-E also implemented emergency water and sanitation interventions in Conakry with UNICEF during the last cholera outbreak, and maintains an emergency watsan stock.

### *Africare*

Africare implemented a sanitation intervention in Conakry with WFP between April 1994 and March 1995 (waste management, food-for-work projects, set up of management structures, training of community workers, etc).

### *Terre des Hommes (TDH)*

In Conakry, TDH assists street children, supports a few health centers, and maintains a network of community health workers. TDH will maintain its activities, but does not have the structural capacity to scale them up.

### *Hellen Keller International (HKI)*

HKI's S food security and nutrition monitoring system in Conakry – SEFFAN, data that was used in this assessment - will prove valuable for monitoring.

### *Save the Children (SC-US)*

SC-US intervenes in the sector of education and child protection in Kankan, Upper Guinea (and few activities in Forest Guinea).

### *Others*

CRS considering subsidized sales (rice) and FFW to increase production (but too late for this year). PLAN Guinée intervenes in Forest Guinea and Kissidougou. Aide et Action intervenes in Lower and Moyenne Guinée. Comunita Sant Egidio intervenes in assistance to PLWHA. MSF-B has a program in Guinea.

## Civil society and private sector responses

### *Civil society*

Five local NGOs operate in Conakry to assist PLWHA. The mission only met with one of them, AIME. AIME focuses its interventions on people infected and affected by HIV/AIDS. ART clients are enrolled in the assistance program if their BMI is below 18 and they are



vulnerable. Social workers visit neighborhoods to assess the vulnerability of the referred persons.

AIME also assist Orphans and Vulnerable Children. Selected beneficiaries are enrolled for up to 24 months: 12 months with WFP, then if still vulnerable 12 months with another funding. At the end of the 24-month period, AIME can propose small grants (200-300,000 GNF) and support to start Income Generating Activities. AIME provides comprehensive support: psychosocial, food assistance, school equipment/fees, etc. Food distributions are organized twice a week in the small AIME compound. AIME uses two pipelines: WFP for ART clients, and local procurement through SAFRICOM for other beneficiaries.

AIME expressed interest in scaling up activities (from 170 households to 250 households). AIME also expressed difficulties to ensure appropriate frequency of field visits due to high transport costs. Another limiting factor in the long run is the lack of continuous funding, which does not enable efficient organizational capacity building.

*Private Sector*

Traders appear to have the ability to supply sufficient quantities of goods in markets of Conakry. The import monopoly remains an issue, as is rainy-season access in other parts of the country. The local NGO AIME has an agreement with the biggest importer SAFRICOM to supply rice, tomatoes, fish, peas, oil and sugar for its beneficiaries. SAFRICOM also provides storage for the NGO.

The banking system is not well developed, and charges remain high. Even private companies do not always have a bank account – many WFP transporters do not have bank accounts. Money transfer companies include Western Union, Money Gram.

**5. Response Analysis**

Scenario on foreseen impacts

**Most likely.** Rice prices increase by 15 to 20 percent in June. Increased levels of food insecurity and malnutrition are noted during the lean season, especially at the end of mango season, with global acute malnutrition rates exceeding 15 percent in the most deprived areas. In September, many households will face increased difficulties due to the price rises that occur every year at Ramadan (01-29 September). Sporadic episodes of unrest occur in Conakry and other urban areas. Continued low capacity at Government and UN level limit the extension of food security and nutrition programs. Likely.

**Worst case.** Rice prices climb to 300.000 GNF per bag (50 Kg) during the lean season. Civil unrest worst than that of January 2007 occurs during the lean season, preventing meaningful action by partners to mitigate the food crisis. The food crisis becomes a political crisis. Unlikely.

Type of assistance appropriate and feasible

<b><u>Strengths</u></b>	<b><u>Weaknesses</u></b>
<ul style="list-style-type: none"> <li>• WFP has food stocks in country</li> <li>• WFP has a network of sub-offices in rural areas</li> <li>• Good coverage in rural areas and especially schools</li> <li>• Body of experience in health</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of experience in urban programming</li> <li>• Poor partner capacity to implement food security programs</li> <li>• Government turnover making follow-up difficult</li> </ul>

centers and nutrition	
<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"> <li>• Consensus on targeting vulnerable groups through health centers</li> <li>• Availability of CERF funding</li> <li>• Availability of other funding to deal with non-food dimension of the problem</li> <li>• Strong market potential for locally produced goods – local purchase, vouchers<sup>29</sup></li> </ul>	<p><b><u>Threats</u></b></p> <ul style="list-style-type: none"> <li>• Volatile security context, especially in Conakry</li> <li>• High global prices could complicate food procurement</li> <li>• Inflation implies that vouchers be expressed in quantitative terms (e.g; ‘one 50kg bag’)</li> <li>• Rainy season makes logistics more difficult</li> </ul>

### Intervention objectives

Short-term effects (implementation in June-August, extended to December for vulnerable groups) are:

- Ensuring vulnerable groups have access to food, e.g. through:
  - Nutritional assistance
  - Emergency transfers for severely food insecure people
  - Subsidized sales for moderately food insecure people (to be further assessed)

Medium/long-term effects include:

- Reducing the country vulnerability to high world prices by:
  - Boosting local production
  - Improving the food supply chain
  - Diversifying the national diet, currently too dependent on rice
- Reducing livelihood groups vulnerability to high world prices, by:
  - Improving income opportunities
  - Improving access to education, especially for girls
  - Improving access to health services

### *Interventions with immediate effects*

#### **Operating environment**

- High inflation, *suggesting food or voucher-based interventions (not cash)*
- High level of corruption<sup>30</sup>
- Security concerns, *suggesting acceptance strategies and/or low profile interventions*
- High level of poverty and inequality, *suggesting clear/restrictive selection criteria if resources limited (e.g. through institutions) and/or large inclusion intervention (e.g. subsidies)*
- High density with mixed populations, *suggesting geographical targeting alone is not an option*

<sup>29</sup> Obviously high market potential in Guinea comes hand in hand with the constraints imposed by high inflation, an unstable currency and market structure. A market review would allow WFP to know how to take advantage of the potential and minimize risks.

<sup>30</sup> On a scale of 0 (highly corrupt) to 10 (squeaky clean), Guinea scores 1.9 according to Transparency International.

- Low HIV prevalence (1.5%) but highest for urban women (3.9%)
- Poor living conditions esp. sanitation
- High polygamy rate, *suggesting targeting women*
- Low capacity, *suggesting simple interventions*

There is a consensus among interviewed stakeholders that large scale food distributions in Conakry are not recommended due to the high security risks, and in view of the difficulty to identify poorest households in urban settings. When considering alternatives, three key questions were considered:

- *What mechanisms can be used to select beneficiaries?*
- *What mechanisms can be used to provide food assistance to them?*
- *Who has the capacity to do it – in a timely manner and at the appropriate scale?*

There was a consensus among stakeholders that interventions through health centers were relevant and a priority. It might be somewhat limited in size, but it is a more secure and efficient way of providing assistance. There are limitations of course, including:

- limited capacity of health centers (staff, space, medicines)
- over-taxation of health services, which limits access to the poorest

Whenever possible and where realistic, complementary actions need to be implemented, such as supply to health centers, pressure to ensure staff is working, fee waivers for the poorest, community health workers to refer children to health centers, nutritional education, etc. Of note, UNICEF supplied 100 centers out of 400 with medicine, but health centers were not able to renew stock after they had sold the supplies.

#### Target groups and lead agency

- Severely malnourished children (phase 1): UNICEF
- Severely malnourished children (phase 2): WFP
- Moderately malnourished children: WFP
- Pregnant and lactating mothers: WFP
- People infected or affected by HIV: WFP

Assistance will also be scaled up to pregnant and lactating mothers vulnerable to malnutrition, targeted as per existing program guidelines.

#### Targeting mechanisms

- Through health centers – although poorest might not access them so:
- Take advantage of the UNICEF-coordinated '*Semaine de la santé de l'enfant*' to screen children (MUAC). UNICEF expects to reach 90 percent of children with this event.
- Use community health workers when available to refer children, mothers, and PLWHA.

#### Food ration composition and duration

The food ration must respond to specific emergency needs of targeted vulnerable groups, and be consistent with regular WFP interventions.

Existing Food rations under PRRO:

<b>Beneficiary category</b>	<b>Type of food commodity</b>	<b>ration per person and per day (in grams)</b>	<b>Nutritional value (kcal, percentage of protein kcal)</b>	<b>Duration</b>
Pregnant and lactating women	CSB	250	1251 kcal, 15,3%	9 months for pregnant women 12 months for lactating
	Vegetable oil	25		
	Sugar	20		

	Ioded salt	5		women 18 months for pregnant and lactating women in PMTCT
Moderately malnourished children	CSB	250	1251 kcal, 15,3%	6 months
	Vegoil	25		
	Sugar	20		
	Iodized salt	5		
Severely malnourished children (phase 2)	CSB	150	659 kcal, 15,8%	1 month (then receive as moderately malnourished)
	Vegoil	10		
	Sugar	10		
PLHIV and their family (standard 5- member family)	Rice	160	1 055 kcal, 8,7%	12 months for people infected by HIV 6 months for people affected by HIV
	Pulses	40		
	Vegetable Oil	20		
	CSB	30		
	Sugar	15		
	Ioded salt	5		
FFW ration, to be adapted for family rations in schools and in health center <sup>31</sup> s	Cereals	400	1751 kcal	Times 5 in schools (three months) times 4 for health centers (three months)
	Pulses	40		
	Vegetable oil	20		
	Iodized salt	5		

The Food Security and Nutrition Cluster recommended to i) provide food assistance to *accompanying mothers* (as this is a cause of drop-out), and ii) provide a family ration to malnourished children's families. Take home rations to malnourished children are usually only provided when GAM > 15% which is not the case. But such a measure here is recommended as a preventative measure, and as a way to reach food insecure households. It might also bring consistency with the current HIV-related interventions for which a family ration is also provided. It will be in WFP's interest to monitor beneficiary behavior to detect whether certain households may be keeping a child malnourished order to benefit from a food ration<sup>32</sup>.

When providing take-home rations to malnourished children's families, WFP should be very clear with its partners regarding the length of this extra support since the Country Programme - i.e. interventions beyond December 2008, currently does not have resources to maintain this level of assistance.

### Transfer mechanisms

Socio political instability may follow from the high level of prices. Any distribution from a storage room or a truck involving medium/large crowd is to be avoided. The distribution of small ration (CSB + Sugar + Oil + Salt) through health centers is probably manageable in most cases. But providing a family ration on top of it might prove more challenging. A few options can be considered:-

1. WFP ration is provided to the beneficiary in the health center right after the medical visit

*Requirements: small storage room in health center, staff available to distribute on a continuous basis, regular trips to supply health centers*

*Advantages: no crowd, only small stock of food stored, beneficiary gets to the HC only once*

<sup>31</sup> The take home dry rations to be distributed in rural schools and health centers will be based on the existing ration for food for work for a family of five.

<sup>32</sup> WFP does not have strong evidence showing that such a phenomenon has taken place in its programs. Nonetheless the risk exists and should be monitored if possible.

*Limitations/risks: the patient/accompanying person needs to carry bag home, stigmatization*

2. WFP ration is provided to the beneficiary in the health center at a fixed date  
*Requirements: small storage room in health center, staff available to distribute at a fixed date (e.g. NGO)*  
*Advantages: trip to supply Center only once or twice a month*  
*Limitations/risks: beneficiary has to come back to health center (transport cost/time)*
3. WFP ration is provided to the beneficiary in a nearby warehouse at a fixed date  
*Requirements: warehouse in the neighborhood, staff available to distribute at a fixed date (e.g. NGO)*  
*Advantages:*  
*Limitations/risks: beneficiary has to come to warehouse (transport cost/time), possible crowd of non-beneficiaries*  
*Mitigation strategy: provide less preferred commodities, have good communication strategy, clear targeting criteria*
4. To be further examined: A food stamp is provided to the beneficiary to redeem WFP ration in a nearby retailer in a 2 week period  
*Requirements: retailers with available storage agreeing to take part in operation, additional costs to be paid to retailers*  
*Advantages: low visibility, beneficiaries can come at their convenience, thus minimising crowding..*  
*Limitations/risks: time to establish system, retailers could sale rations, need rotations to supply retailers, possibly need for repackaging for lower visibility in shop*
5. To be further examined: A food voucher is provided to the beneficiary for redemption in a nearby retailer over a 2 week period  
*Requirements: retailers with available storage and stock agreeing to take part in operation, payment to retailers after reception of vouchers*  
*Advantages: low visibility, beneficiaries can come at their convenience, thus minimizing crowding. Furthermore since the commodities can be stored at the participating markets, they can be divided into smaller allotments allowing each household to obtain a manageable portion as needed. Less stigmatization.*  
*Limitations/risks: time to establish system, retailers could provide something else than agreed ration against voucher, people often don't have ID cards to show with voucher*

At the moment the mission recommends the country office pick a solution between options 1 2 or 3. A specialist in voucher issues could look into options 4 and 5.

### **Emergency transfers**

The mission recommends that during the 2008 lean season, WFP implement emergency transfers through schools in rural areas covering June-August.

For urban areas the mission does not recommend any intervention beyond the scale up of nutrition programs that is outlined above. WFP may, for reasons pertaining to contingency planning, wish to further explore the feasibility of implementing emergency transfers through schools as well as through food-for-work projects. These two transfer modalities are presented below:

*Emergency transfers through schools*

The mission recommends WFP can implement dry ration distributions through schools in rural areas. As schools close at the end of June (until the end of September), an intervention through schools would be a default modality for income transfer, with no objective on school attendance – at least until October. Anticipated operational issues for such an activity are:

- Reaching the poorest – Primary school attendance is 74.8 percent in urban settings (and schools overcrowded), 46.6 percent in rural settings (not enough schools). Among the poorest 20 percent, only 40.9 percent attend school. Using attendance lists during the school holidays might not allow the food distribution to reach the poorest. However community solidarity mechanisms and appropriate sensitization might mitigate this factor.
- Defining targeting criteria – Targeting schools within Conakry might be an issue. Options considered are: i) all schools in poorest neighborhoods (possible poverty indicators: commune poverty rate x number cholera cases in 2007 per sector); ii) only public schools (possibly further restricted to poorest neighborhoods). If targeting criteria are not well accepted, this can lead to increased insecurity.
- Delivering food rations – Organizing food distributions in schools requires sufficient space. It may also attract crowds, and be unsafe. The same options (from traditional food aid distribution to the use of food vouchers) as listed under the nutrition interventions need to be considered.

#### *Emergency transfers through Food-for-Work projects*

Emergency transfers could also be done through labor intensive food-for-work schemes in the poorest sectors of Conakry, for instance for garbage collection; cleaning of drainage system, with women for market gardening in the outskirts of Conakry which supply the city with fruits and vegetables, other community-determined labor-intensive initiatives, etc. Anticipated operational issues for such an activity are:-

- Need of additional resources to implement the activity
- Need of partners with the required technical skills to supervise the activity
- Need to target the poorest households, through house-to-house process or through local leaders or by targeting women-headed household (taking care not to overload women), or through self-targeting if activities are not gratifying (and/or the less preferred staple is provided)
- Need to match with seasonal calendar (heavy rains in July/August) and occupational calendar

#### **Subsidies**

The mission suggests that WFP could only envisage subsidies as a transfer modality should a cost-benefit analysis performed with partners clearly demonstrate the benefits of such a policy. Indeed, and as stated previously in this document, subsidies have not been effective at reaching the poorest in the past in Guinea, perhaps due to the market structure. It would have to be demonstrated that targeted subsidies provided to consumers - as opposed to traders - are i) feasible and ii) effective and efficient at reducing the cost of rice as opposed to a non-subsidy scenario.

This section outlines some of the challenges that may emerge in implementing a food subsidy program.

Subsidizing food will enable to reach large populations. However a number of issues need to be carefully considered:

- Targeted vs. general – If general, the subsidies need to be provided within a regional approach. If targeted, they need to be effective (and provide vouchers).
- On rice vs. maize – If rice is subsidized, this might lead to large exclusion errors (as seen in previous experience). If maize or other less preferred commodity is subsidized, it might even be done through self-targeting (putting a limit to the quantity one can purchase). If fortified food is subsidized, it can be provided for children.
- National vs. regional.
- Duration – this will need to be determined, as well as what to do if prices keep being high. If prices stay high subsidies could be a long-term financial burden.
- Subsidies could be linked to a farmer support program, such as promotion of maize.

*Program examples: WFP targeted on rice in urban Indonesia, World Vision self-targeting on sorghum in urban Zimbabwe*

These subsidy issues should be raised with the World Bank, who had been discussing whether to subsidize food imports as a response to rising prices.

#### Operational challenges

*Pipeline:* WFP needs to bring in some 15,000 tons of maize within a month to Conakry. Otherwise WFP will distribute rice which may not be replaced and will have to operate CP school feeding with maize. The provision of less preferred cereals (maize, bulgur) is an opportunity to diversify diet, and has the advantage of being cheaper than rice. It will be a logistics challenge to distribute these commodities during the rainy season.

Exit strategy: activities should be to the extent possible linked with WFP program modalities that will continue into 2009 and beyond. WFP should encourage program modalities that offer beneficiaries an opportunity to access Income Generating Activities, such as those implemented for PLWHA from AIME. There would be a risk of risk of downscaling too soon, should prices remain high.

In view of the above, the mission recommends that WFP prepare to implement

- dry ration distributions through schools in rural areas
- scaling up of nutrition intervention and provision of discharge ration, mainly in urban areas

Additional needs for these two activities are presented below. The increment in beneficiaries for the lean season is as follows:

Caseload increase	Number	Days
MCH Children (moderate)	10 200	180
MCH Children (severe)	1 000	30
MCH - Accompanying person	1 000	30
MCH family ration x5	80 000	30
Rural famiy x5	378 000	90
Total caseload increase	458 000	

WFP programs will require some 17,500 tons of additional commodities. The increment in food needs for the recommended additional caseload is detailed as follows:

Net additional food needs	Cer	CSB	Pulse	Vegoil	Sugar	I Salt	Total
MCH Children (moderate)	0	459	0	46	37	9	551
MCH Children (severe)	0	5	0	0	0	0	5
MCH - Accompanying person	12	0	1	1	0	0	14

MCH family ration x5	960	0	96	48	0	12	1 116
Rural Family x5	13 608	0	1 361	680	0	170	15 819
<b>Total tonnage</b>	<b>14 580</b>	<b>464</b>	<b>1 458</b>	<b>775</b>	<b>37</b>	<b>191</b>	<b>17 505</b>

### *Interventions with medium/long term effects*

#### Support agricultural production

- Improved seeds at short cycle. Planting season over in Forest Guinea. Ends on 15 June in Upper Guinea – suitable for nerica (short cycle and high yield)
- FFW for rice, maize production
- Seed multiplication (with private sector)
- Promote diversification e.g. maize, fonio, potatoes

#### Support transformation and marketing

- Road projects (World Bank, European Commission)
- Work with private sector for transformation, marketing

#### Support other livelihoods

- Fishery sector in Conakry and along the coast
- FFW for urban sanitation

#### Towards social protection (?)

Given the number of destitute people in need of long-term assistance, and in the absence of a functional Government, the International Community could launch talks to establish IC-supported safety net through complementary interventions and long-term funding.

#### WFP comparative advantage

##### *Technical expertise*

WFP started intervening in Guinea in 1964. WFP has supported projects in development and relief. The total amount of WFP assistance in Guinea since 1964 amounts USD 214m. Currently, WFP is implementing two program:

- Country Programme 10453.0 (USD 21.7m 2007-2011) in Haute and Moyenne Guinée, for 170,400 beneficiaries per year
- PRRO 10553.0 post-conflict transition in Forest Guinea (USD 24.4m July 2007-June 2009) in Forest Guinea, 408,400 beneficiaries over 2 years

Both programs include three components: Education, health, rural development.

Post distribution monitoring is no longer taking place. It used to be done in and around refugee camps until 2006, and indicated that WFP-provided bulgur and oil was sold in host communities with bad terms.

##### *Geographical coverage*

WFP has its main office in Conakry and three sub-offices in Nzérékoré, Kankan and Labé. Prefectures covered under the current programs are:

Region	Prefecture	Component		
		School feeding	Food for work	Health/nutrition
Conakry	Conakry			X
Mamou (CP)	Pita, Dalaba	X	X	
Labe (CP)	Mali, Lelouma, Tougue,	X	X	



	Koubia, Labe			
Faranah (CP)	Dabola, Dinguiraye	X	X	X
Kankan (CP)	Siguiri, Kouroussa, Kankan	X	X	X
	Madiana	X	X	
Nzérékoré (PRRO)	Kissidougou, Guéckédou, Macenta, N'Zérékoré, Beyla, Lola and Yomou	X	X	X

WFP has little presence or experience in Lower Guinea.

#### *Logistics capacity*

Transport is implemented by the 4 truck WFP fleet and private carriers. At times transportation in Forest Guinea to schools has been seriously disrupted by transporter syndicates and the poor state of roads.

Roads and bridges: commodities must be prepositioned before the rainy season. In case of an increase in caseload during the rainy season alternatives are limited. Experience has shown that it is possible to supply areas of Guinea from neighboring countries.

Port: Conakry port is located at the tip of the capital peninsula, with only one way out for goods. The WFP warehouse is located on Kaloum, near the port. During the rainy season, commodity dispatches can be disrupted by Government requisition of quays.

#### *Resources and in-house capacity*

In November 2007, WFP Guinea had 108 staff including 95 national staff, 4 UNVs, 7 internationals and 2 consultants. Half of this staffing is deployed in sub-offices.

WFP has warehouses in Nzérékoré (2,800 mt capacity) Kouakan (1,300 mt capacity) Kankan (1,600 mt) and Conakry (8,000 mt capacity).

WFP has 29 light vehicles, 13 motorbikes, 5 trucks, 12 fuel generators and a security fuel reserve of 7500 liters.

#### *Local procurement*

The Country Office has done no local procurement of food commodities – except for a small quantity of imported sugar. At the regional level, purchase of pulses from Burkina Faso could be considered.

## **6. Recommendations**

### Build consensus

Organize a stakeholder meeting (wider than the Food Security Cluster) to get common understanding of the impact of high prices, and develop a comprehensive response plan.

### Provide nutrition assistance

Exchange with nutrition partners to fine-tune intervention modalities.

### Develop communication/acceptance plan

Organize a mission to develop key messages for beneficiaries and traditional leaders ahead of distributions (on targeting criteria, rations, duration of assistance etc.)

### Procurement

WFP should adjust its food basket to include maize meal and bulgur, in a mix with rice. It is possible that less-preferred commodities would be traded on very bad terms. Explore possibilities of local procurement as strategy to boost national production

### Advocacy / Strategic Partnerships

WFP should advocate for actions that the World Bank, IMF or EC can take that will mitigate the price shock, including immediate measures such as subsidies and longer term measures such as infrastructure projects. Synergies can be found with the EC for feeder road construction, with FAO for local purchases and seed multiplication.

### Further assessment

A follow-up livelihoods-based assessment is necessary to inform interventions to support incomes, and to clarify the relationship between urban and rural trends.

### Enhance monitoring

Build HKI, ACF, IPC systems towards early warning system. This system should be linked to contingency planning. Post-distribution monitoring must be reestablished and should inform the program.

### Contingency planning

Update the joint UN contingency plan.

### Test Vouchers

Test in small area (or with small target group such as PLWHA) for potential larger scale use in urban nutrition programs, school feeding, FFW.

### Allocate human resources for WFP Guinea

- Immediate - Nutritionist
- Immediate - Emergency Coordinator
- Immediate - Administrative clerk

### Organize support visits on the following themes

Immediate –develop communication/visibility plan hand-in-hand with security officer.

Immediate – development of implementation plan

Immediate – set up a voucher pilot system

Short-Term – monitoring system

Medium-Term – purchase for progress

## **TOR for a Rapid Food Security Assessment mission in the Urban Areas of Guinea**

### **Rationale and Problem Statement**

According to the results of the food security survey conducted by WFP in 2005, 16 % of the rural households are food insecure and 6 % in situation of severe food insecurity. Also, it is important to note that 54 % of the population in Guinea lives below the poverty level. The incidence of the poverty is 21 % in Conakry and 27 % in other major urban areas of the country (cf. PRSP 2). Due to the increase of fuel and food staples and the continued deterioration of living conditions in Guinea, the poverty level, food insecurity and malnutrition rates are foreseen to rise sharply among the most disadvantaged and vulnerable of groups.

#### **Volatile situation in urban areas**

Guinea takes out slowly of the socio crisis political which pulled the country in 2007, in a cycle of unprecedented violence. Acts of vandalism and destruction of public buildings were noticed in every 8 administrative Regions and in 30/33 Prefectures which counts Guinea. The police's repression of this popular uprising will have been particularly dramatic. The official statement established at more than 113 deaths and thousands of injured persons. The damages of the strike of January and February, 2007 amount to 36 billion Guinea francs.

This situation considerably affected the functioning of the Administration at national and decentralized levels. It weakened the authority of the State and facilitated the outbreak of the crime through the country. The formulation of the various demands of the militaries for the payment of back pays, the valuation of the point of wage indication and the improvement of their living conditions stayed without concrete answers, even if the government promised to take charge of it; and this question could quickly become sources of new tensions in the country.

Following the rapid joint assessment mission organized by the Government, NGO and UN agencies, WFP, in partnership respectively with UNICEF and FAO implemented nutritional support activities in different nutritional centers throughout the country in favour of 33 000 children and supplied a food assistance to 11 000 households through seeds protection activities.

Hellen Keller International set up a system of nutritional surveillance of the children of less than five years to Conakry. ACF, further to a deep evaluation, supports (in partnership with WFP), nutritional centres in districts discriminated by Conakry.

#### **Higher Prices**

The general increase of the prices of main consumption products, notably food and fuel is a major concern for many households. The increase in food prices affects the capacity of many households to get the food which they need to ensure their subsistence.

Guinea, with over 9 500 000 of habitants, produce around 900,000 MT of rice and imports more than 300 000 tons per year. The consumption of rice is estimated at 100 kg per person and per year. The social unrest between January and February 2007 which caused the death of hundreds of citizens had, in part, its origins in the difficulties to food access, particularly rice, for most of the population. The 50 kg bag of imported rice was 150 000 FG against the current price of 220 000 FG. The average monthly salary is around 250 000 FG. The recent increase (1 April) by 62 % of the gas price has contributed to the degradation of an already precarious situation. Steps taken by government to alleviate the situation are considered insufficient by the labor unions. The situation remains volatile because of the current unstable political environment in the country.

#### **Upcoming lean season**

The situation is expected to further deteriorate with the beginning of the lean season (end June to end September) during which most of the people in Guinea face increased issues to access food commodities.

### **Actions taken to date**

Currently, the « Crisis Committee » stepped up during 2007's crisis is the main structure of coordination of health interventions. In addition to that, the food security cluster remains the most appropriate framework of humanitarian interventions.

### **Limitations and support required**

Nutritional programmes can only assist a small portion of the population. Additional interventions are required to respond to/prevent the expected increased urban food insecurity during the lean season, and prevent a deterioration of the security situation (riots, looting). However, WFP has less practical experience in implementing similar programs targeting vulnerable groups in urban areas.

### **General Objectives**

The objectives of the assessment are to:

4. Analyze current and future outlook of food and fuel prices;
5. Assess the current and foreseen impact of high market prices on urban food security;
6. Analyze immediate, mid-term and long-term response options in urban and peri-urban areas.

### **Expected outputs**

- One consultation session with key stakeholders, to discuss:
  - Shock magnitude (higher prices and others)
  - Urban groups most at risks of increased food insecurity
  - National response capacity: Government, UN, NGOs, CBOs
  - Possible response options
  - Strategic partnerships
  - Way forward: immediate response, further assessments, contingency planning
- One rapid assessment report, covering:

#### *Urban context*

- Security/political context: risks and opportunities
- Livelihood/food security context: main livelihood strategies, seasonality issues, level of vulnerability of the main socio-economical groups, etc
- Key stakeholders and power relations: Government, local leaders, CBOs

#### *Price-induced shock magnitude*

- Price determinants: world prices pass-through effect and domestic factors
- Steepness and level of price rise: usual price volatility and actual additional shock
- ⇒ Current and foreseen outlook of food and fuel prices

#### *Impact on food security*

- Local food availability and market capacity: situation, changes and reasons
- Household food security: situation, changes and reasons (looking primarily at terms of trade, food consumption, coping strategies, indebtedness, level and share of expenditures)
- Causality link: perceived shock (price-induced vs. other types of shock)
- ⇒ Groups most at risks (type, number and location)

#### *Response options*

- Review of existing assistance programmes: appropriateness and feasibility of a scale-up
- Operational constraints: social, political, security, logistics; potential negative effects of current and possible future assistance strategies

- Targeting options in urban areas
- National expertise and implementation capacity (Government and partners)
- Possible policy and programmatic measures: pros and cons
- ⇒ WFP response options: type (food and non-food response), distribution modalities, targeting modalities, partners, timeframe, exit strategy, link with on-going programmes, etc

#### Recommendations

- Strategic partnerships
- Immediate action required
- Further assessment/research required
- Monitoring and contingency planning

#### **Methodology**

- Review of secondary data
- Internal sectoral meetings: Security, Logistics, Programme, VAM
- Consultation with key stakeholders: authorities, UN agencies, NGOs, CBOs, local leaders
- Focus group discussions: traders, households, etc
- Field visits: health centres, schools, markets, post-offices, etc

*End*