The financial and broader economic crisis, coupled with recent increases of already high food prices, have started to more visibly impact rural households in Tajikistan. More unemployment, less remittances and even bankruptcies of small businesses have been registered.

Around 1.4 million people were identified as food insecure. Of these, 480,000 of them severely food insecure; more than half are chronically food insecure. The rest are affected transitionally (because of a shock), which explains variation between zones over time. These numbers are similar to the ones of last year.

The level of severe food insecurity in the country did not change much since January 2009. The situation did not deteriorate mainly due to a wide array of coping strategies applied by households and external assistance provided to vulnerable families.

However, moderate food insecurity has been rising, also in zones that were not affected before. This development is mainly linked to the losses in remittances and increased unemployment. If households continue to be unable to cope, the situation might deteriorate further, especially in the northern part of the country.

Sughd and Khatlon remain the most food insecure regions. The situation in most zones in Sughd has worsened, especially in B. Gafurov and Mastcho areas. Khatlon, Muminobod, Temurmalik and Khuroson areas remain the most affected. Some improvements in food consumption have been noted there, mostly due to short-term coping strategies.

Household food consumption improved since the last assessment, but access to food remains an issue. The recommendations for action are unchanged: short-term interventions combined with long-term assistance in the fields of employment, water and agriculture. Special emphasis should be given to disaster-stricken areas where both food and non-food assistance should be provided during emergency and early recovery phases.
Overview of overall household food security

Several trends can be seen from this third round of data collection. Figure 1 shows the evolution of rural households’ food security status since April 2008. It can be noted that the overall food insecurity in the country has not shown any real improvement. Severe food insecurity is at around 9% of the population, while moderate food insecurity increased again to its April 2008 level (after the winter crisis) at around 22% of the rural population. The main changes are linked to geographical repartition and particularities of food insecure households. Although major and recurrent reasons for this situation are highlighted by households and key informants across the country, Annex 3 (page 11) and the graphs presented in Annex 4 (page 18) show that each zone is particular in its own way. Some of the changes can be attributed to seasonal changes in agriculture, migration and weather conditions, but overall in this round, the main cause for worsening of the situation seems to be unemployment. The increase in reporting of unemployment and/or reduced salary of a household member is mostly attributed to the ongoing crisis, which was stated by both key informants and households. Several reports and media have also come to reinforce this recent development seriously impacting food security in rural areas. The crisis-induced unemployment is affecting migrants abroad as well as Tajik entrepreneurs. Findings show an increased number of bankruptcy (9% of the households cited it). Although some returning migrants have invested in small businesses, these initiatives remain rare.

Impact of global economic crisis on food insecurity

The crisis has also had a recent impact on food prices, pushing cereal and oil prices up again (see Annex 1 on page 9) at a moment when households’ financial access to food is further reduced; vulnerable households will find it even more difficult to cope with both shocks. This is why findings show a significant increase in the number of coping strategies applied. Some of them are negative and short-term (selling assets and animals), but have allowed households to maintain a moderate level of food insecurity. This can partly explain why some zones in Khatlon do not appear as food insecure as they did in previous rounds. Households in other regions (GBAO and parts of DRD) used more long-term and constructive coping mechanisms: households and key informants report an increase in families investing in livestock and engaging in animal husbandry. Figure 2 shows the importance of this coping strategy, as a link can be made between food security and ownership of animals. Seeking alternative employment (such as daily wage labor) has also been reported by more respondents. This shows that rural households have already responded to the effects of the crisis and to the decrease in remittances (93% reported such a decrease) and should be adequately supported in these initiatives. But for the most part, the households who can invest were not the most vulnerable.

Access to food

It is important to note that again only 2% of households reported having completely recovered from shocks of the past three months. Those engaging in daily wage labor found themselves exposed to the lowest rates on the market since the beginning of the crisis. Recent reports show that most returning migrants (mainly unqualified workers) prefer waiting for the situation to improve in Russia than to take underpaid jobs in the Tajik market. These vulnerable households were forced to take more credit and borrow from relatives and neighbors. Since January, there is a significant increase in households borrowing for food (and migration), which highlights the consequences of reduced incomes. As Figure 3 demonstrates, only the severely and moderate food insecure are borrowing. Consequently, more households reported having large debts that will take up to 4 months to repay. Traders and shopkeepers also confirmed receiving more requests for credit (see Figure 4). It is worth noting that 63% of
the households still highly relied on markets as their main food source, making them vulnerable to food prices. While food prices went down over the winter (see Box 1 on prices for more details), the less vulnerable managed to continue building their stocks. But now, findings show that stocks were almost depleted for many households.

**Income and food sources**

Most households in rural areas do not have more than 2 income sources, which confirm data from previous rounds and the April 2008 survey. But some interesting findings regarding income have come to light: women seem to be more involved in income activities. This could be due to the great decrease in income provided by migrants (mostly men/husbands), forcing them to engage in income-generating activities. It could also be explained by the fact the women normally engage in marginal income activities, which were recorded as third or second income in this round when it was probably judged too insignificant in previous rounds. Government salaries and pensions become also more prominent as these activities switch from being the second source of income to being the first due to the loss of the previous first source of income, be it remittances or any other sources lost due to the crisis. Pensions have become the main second source of income for a quarter of the households in the sample, but majority of key informants reported difficulties and delays in receiving payments from the state. Considering constraints and shortfalls in the government’s budget in this time of crisis, it seems unlikely that pensions will be increased again. Last July’s increase resulted in a slight improvement of food security.

**Food expenditure**

Another consequence of the decreased food access seems to be that more households relied on less preferred and less expensive food, as shown in Figure 5. Therefore most households reported not satisfying their food needs and ended up eating non-typical food for this period of the year.

In addition, the greater dependence on central markets (instead of local ones, see Figure 6) has compromised the physical access to basic food stuffs of households mostly in remote areas. This also points to a food availability problem in different parts of the country for the period surveyed (February, March and April). Figure 6 also show an increase in households borrowing and receiving food as gifts. The increase in prices and change in food sources led to a general increase in food expenditure, leading households to further depend on less preferred and sometimes less expensive food, as they have to factor in the price of transportation.

For correlations between food security and other indicators, see Annex 4.
Food utilization and impact on health/nutrition

The main reason that food consumption increased in certain zones (see disparities between zones in Annex 3) is due to the fact that some households were capable of building stocks before the winter, at least the ones that had the means or had a good winter harvest. The difference with previous rounds is that unemployment and reduced income and, in particular, remittances reduced the ability of stocking and accessing the market from one zone to another.

More households were forced to reduce their expenditures on health care and drugs, which might lead to localized increase in diseases (zones 5, 7, 12, and 18). This, coupled with the major issue of drinking water quality, might lead to a serious degradation of the health of vulnerable households over the summer and of the nutritional status of children and pregnant women, as already highlighted in the previous bulletin. For the moment, a low number of deaths (mostly of old age or heart problems) was recorded. According to medical staff interviewed, there was no increase in diseases. This could mean that households reduced their expenditures on health and did not visit health services.

MAP 1 – Overall Food Insecurity in Rural Areas of Tajikistan – Round 3, May 2009

Jamoats selected: 1- Panj, 2- Avzikent, 3- Loiq Sherali, 4- Qirquduq, 5- Hiloli, 6- Vanj, 7- Zarbdor, 8- Vankala, 9- Tabnochi, 10- Mujum, 11- Urmetan, 12- Khonaobod, 13- Yakhakyust, 14- Navobod, 15- Gumbuloq, 16- Utkansoy, 17- Alga, 18- Jilikul, 19- Balkhobi
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The recent heavy rains and induced natural disasters may have had an impact on these outcomes, but data collection was undertaken in early May before the disasters occurred. 60% of the villages in Tajikistan had irrigation problems.

Wheat is planted in most places, with 1/3 of households and farmers stating that they had planted more than average. Households report that the main problems with growing wheat are irrigation, lack of seed and lack of machinery. For potatoes, the main issues were irrigation and seeds. Vegetables harvests were estimated to be the same as last year’s, as households still face problems with irrigation and lack of pesticides and fertilizers. Most households grow fruit, but on small pieces of land (kitchen gardens). Harvest was thought to be the same as last year’s, but irrigation, lack of pesticides and the small size of land for cultivation prevented increased yields. Many households reported losses of trees during the winter. The situation with cotton could not be assessed; too few households in the sample were involved in this activity.

Households interviewed reported having freedom of choice in what they can grow. Farmers and heads of farms confirmed this, although it is not clear who actually makes the decision of growing what crop, as some reported that the family chose while some said that the head of the farm decided. It mostly depended on the size and type of the farm.

Regarding livestock, 80% of the households reported owning animals; this is in line with results from round 2. But the number of animals owned decreased in many zones (details in Annex 4).

The recent discussions on banning livestock in the capital should also be closely monitored, as 20% of the households owning animals in Dushanbe reported that livestock contributed to their food security (previously described in the June 2008 food security assessment). The ban could add to the already difficult situation of some households in the city. However, the sanitary concerns relating to livestock are valid and should also be considered.

Finally, the impact of the recent cotton debt resolution must be assessed and monitored. It is expected that the results will take time to be effective and that vulnerable cotton growers will remain in a difficult situation in the coming months.

Food price data

According to shopkeepers interviewed in villages, the primary reasons for price changes remain the same: prices at the procurement source, an increase in transportation costs and poor harvests in DRD and Khatlon regions.

• Wheat
  ➔ Prices for wheat flour both high quality and first grade remained stable over the past three months, but have recently gone up. As this increase is still relatively recent, it has not yet reached Khorog’s market where prices remain stable at between 2.10 and 2.30/kg. Nonetheless, prices remain quite high and have not gone down to their 2007 level. Traders attribute the fluctuations and recent price increase to the changes in the value of the somoni. These trends follow closely the price of wheat grains, which has been on the high side due to wholesalers’ lower stock.

• Potato
  ➔ After being high late last year and for part of the winter, prices of potato started to go down due to the increase in seasonal availability on the market. Therefore, in the main regions of production (e.g. Gharm) and in main markets (Khujand, Dushanbe, Kurgan Tyube), prices were slowly going down and were stable in Khorog. But recently, devaluation of the somoni kept prices higher compared to what they were at the same time of the year in 2007 and 2008 (2 TJS/kg).

Pulses
  ➔ Although prices of pulses normally go up in May before falling in June-July and rising again in August, the average price of pulses (dried green pea) have never reached similar levels of more than 4 TJS/kg. In Gharm, prices were going back up again since December, but stabilized at 4 TJS/kg. Lower prices were reported in Khujand (3.5 TJS/kg) and higher but stable prices in Khorog (5 TJS/kg).

• Oil
  ➔ Prices of cotton oil went down since January, but started to go back up since last month, getting closer to the highest prices of mid-2008. Prices in Khorog are now stable at 10 TJS/liter, while all the other markets show a significant increase (especially Khujand). Vegetable oil prices are also on the rise, nationally reaching its highest prices at 8.5 TJS/liter (July 2008). Once again, the increase of oil prices is due to the devaluation of the somoni.

• Other commodities
  ➔ Prices of onions decreased in most markets (apart from Gharm); the same could be said for carrots.
  ➔ Prices of petrol and diesel were on the rise again after decreasing in February, March and April. Prices in Khorog and Gharm were still stable, but expected to rise as well in the coming weeks if the situation in Dushanbe remains the same.
  ➔ In most markets, prices of meat (beef, mutton and chicken) were stable and remained unchanged since last year. Prices of milk, dairy products and eggs remained unchanged as well and at the same level since the food price crisis started in late 2007/early 2008.

(See Annex 1 for price trends)
Possible scenarios and recommendations

For the next three months, the food security situation of many households will be dependent on several factors:

- **Remittances and migration**: already reported in previous bulletins, these factors remain among the most important. Remittances have continued to decrease due to the crisis in Russia. Not as many migrants have come back, while those who did came back empty-handed. Recent reports from the Ministry of Labor indicated that the crisis affected every third migrant, and that out of the returning ones, 20% were not able to cover their food needs.

- **Employment**: as the financial crisis intensifies, the additional burden on households and the loss of valuable income sources will only be mitigated if migrants are able to find work in Tajikistan or in Russia. But daily wages continue to decrease and many returning migrants do not accept underpaid work. Moreover, the population that never left is even more affected as supply for labor forces increases. Some households have already started to cope positively by engaging in new activities, but many more will not be in this position. More moderate food insecure households will fall into severe food insecurity.

- **Weather and harvest**: harvests seem to be better than last year’s in many places and will help households that are reaching the end of their food stocks. As forecasted in the last bulletin, the rains have also provoked floods and other natural disasters. Rains will continue to fall in the next weeks and the melting of snow caps might bring additional disasters. (The impact of recent rainfall are not reflected in the current round.)

- **Government spending**: pensions and government salaries now have a central role in the total income of rural households. Delays and difficulties in receiving pensions have been noticed by key informants and the media, and will have a severe effect on households’ ability to afford the basic food basket. An increase in pensions seems compromised this year.

- **Water access and health**: although good rainfall should help agriculture, the problem of drinking water remains however a major concern in the rural (and urban) areas. An outbreak of water-related (water-borne, water-washed) diseases remains a major concern and some cases of typhoid have already been reported.

- **International financial crisis**: the decrease of the value of national currency has worsened since the last bulletin despite government’s efforts to stabilize it. It is clear now that the financial crisis is having a serious impact on both the macro and the micro economy: closure or suspension of activity for many industries (compounded by the energy crisis this winter) and forced vacations for employees appeared to happen all over the country. But this has resulted in the international community’s increased attention on Tajikistan and in new financial inflows in the government budget provided by the IMF and other donors. The government has also increased its effort in responding to the crisis and in attracting investors to the country, finding alternative host countries for migration or in organizing job fairs. The economical situation is not likely to improve in the short term, according to the IMF’s forecast.

- **Food prices**: prices of food have not been that high, since the peak of the food price crisis last year. The increase of prices is mostly due to the devaluation of the somoni and should stabilize over the summer. In the meantime, prices should go down due to upcoming harvest, giving some relief to the most vulnerable households.

Results confirm that 1.4 million people are still facing food insecurity, most of them chronic. Therefore, to the following recommendations can be made:

- The ongoing food security appeal is still relevant and is being updated following the natural disasters that recently occurred in the country. All partners and donors should consider advocating for full funding of the appeal.

- The recent mudflows have confirmed the importance of working on disaster risk reduction. As mentioned in the previous bulletin, the government and partners should continue to work together on disaster risk reduction projects. More than ever, tree planting projects are relevant.

- Food-insecure households identified in the previous round are being assisted, but new vulnerable zones have come to light; particular attention should be given to the Sughd region and Murghab. The improvement of the situation in Khatlon is only temporary and government and partners should continue to combine short- and medium-term assistance with long-term schemes, especially in creating employment.

- As stated in the previous bulletin, government and partners should make water access the main priority of the next months, and the need for drastic and coordinated responses has become critical;

- There is a need to continue work on reforms at the macro level and on providing social safety nets while working on improving the business environment. Efforts should be put on working on reducing costs of establishing small and medium size businesses, and free trade zones could be a solution among others.

- As more women become involved in income-generating activities, there is a need for stronger focus on involvement of women in the current reforms and anti-crisis plan.