Editorial

This monitoring cycle is the end of the major cereal harvests in Nepal, and the participants in the WFP/VAM repeat survey assess their current food stock to be greater than last year at this time. Only the flood-affected districts in the Central and Eastern Regions provide downbeat yield predictions and that has little effect on survey households because these tend to be landless and hence rely on wage labor income rather than own production.

The previous Bulletin noted that localized yield reductions in the crops harvested during September and October might impact household food security in subsequent cycles but the data from this cycle does not contain such indications. Accordingly, this cycle did not show up evidence of a general deterioration in food security in the districts and VDCs covered by WFP/VAM’s Food Security Monitoring.

Migration Rate Hike Deceiving

The increase in short-term labor migration rates reported in Food Security Bulletins 5 & 6 turns out to be little more than an aberration from the norm. This cycle’s data shows that migrants simply left and returned earlier in the year, during 2004, than they did in 2003.

Long-term Impact of Conflict

While overall food security for the survey populations does not show signs of deterioration, the data does hint at other, albeit subtle, developments that might gradually affect household food security adversely. One example is reports that some small livestock producers relinquish this livelihood strategy because hostile activities, movement restrictions, and so on prevent them from access to markets. Another is the taxation by the CPN(M) on migrant labor incomes that might render this otherwise lucrative livelihood strategy less viable.

IDP Survey Continues

WFP/VAM decided to deploy Field Monitors from travel-freeze affected districts elsewhere to conduct a preliminary food security assessment of IDPs. It finishes on February 28. Findings will be available sometime in March. From the perspective of WFP’s mandate, they so far do not cause concern. A full analysis is still pending, though.

Bajhang Suspension Reviewed

WFP recently conducted a field assessment of security and operational conditions in Bajhang to determine if the current suspension of activities in the district should continue. A final decision is pending.
Far Western Region Food Security, November-December

Seven Monitors survey food security in the 7 Hill and Mountain districts of Achham, Baitadi, Bajhang, Bajura, Dadeldhura, Darchula and Doti

Production. November and December are the season for the harvesting of paddy and planting of wheat and barley. It is also harvesting time for less significant crops – in terms of their contribution to the food basket – such as soybean and apple (refer also to the seasonal calendar on p. 8). For the most part, these crop harvests appear to have translated into increased food stock compared to last year (Fig. 2).

In Achham, they attribute the reduction to disease; in Doti, they blame hailstones at the time of harvest. Nevertheless, the District Agricultural Development Office (DADO) of Doti estimates that the paddy production for the whole district will turn out at last year’s level. This would tally with the general survey response that food stock is greater after this paddy harvest than it was last year. Also in Doti, the recently planted wheat and barley crops received good rains during the last week of November which would bode well for their next major cereal harvest.

In Baitadi’s lowland Patan area, survey respondents estimate a year-on-year 10-15% increase in paddy yield. Bajura’s ill-fated paddy harvest of last year, reduced by insect infestation, is matched by the destruction of allegedly half of the paddy crop by hailstones in the five VDCs of Kuldevmandu, Kailashmandu, Brahmtola, Aatichaur and Kolti this year. In Darchula, the DADO estimates an overall 8-10% reduction in paddy yield. In the lowlands, however, survey respondents claim a 37% increase over last year.

Also in Darchula, survey respondents in the 13 VDCs of Huti, Pipalchauri, Dhari, Brahmdew, Khar, Sipti, Latinath, Guljar, Dhuligada, Tapoban, Khandeswori, Ghusa, and Sitola report that their soybean production is up by about 10-15%, year-
on-year. Households produce between 50 and 200 kg of soybean which they tend to barter with rice on a nearly one-to-one terms-of-trade basis. In contrast, survey respondents in the five lowland VDCs of Dhap, Dattu, Khalanga, Chhapari, and Kante claimed a 25-30% reduction in this year’s soybean yield, compared to last year, and blamed the mid-season collapse of overgrown plants. In the remote VDC of Khandeswori, in Darchula, respondents claimed that they produced 30 MT of apples this year but witnessed it all decompose while waiting in vain for access to an outside market for this produce.

**Price.** In Bajura, food security is better than at any other time during the past year. WFP distributed 300MT of rice to Rural Community Infrastructure Works (RCIW) participants in the six VDCs of Badhu, Kolti, Martadi, Pandusen, Kotila, and Wai, benefiting about 1,500 households, or 7.5% of the total number of households in the district, which each received 800-1,000 kg. Moreover, Nepal Food Corporation (NFC) held about 25 MT of rice in its Martadi store, and local traders a total of about 65 MT in and outside district headquarters, at the time of the Field Monitor’s visit. Together, this meet two months of consumption requirements for the entire district.

Accordingly, the retail price of rice is down by some 33% in Martadi, and 25% in other key markets, over last year. In the northern and southern parts of the district, the CPN(M) sets retail prices for locally produced foodstuffs, such as mutton (-19%), chicken (-33%), and ghee (-20%), lower than the going rate in district headquarter markets. With limited purchasing power in their own VDC, and CPN(M) prohibition from marketing their foodstuffs in headquarters, producers are loosing a substantial source of supplementary income. A case in point is Toli VDC where last year producers took about 500 kg of ghee to the Sanfe market in neighboring Achham. This year, they were prevented from doing so and now 12-15% of households in Toli claim to have given up livestock production. Insofar as that is an indication of a broader trend of forced changes in livelihood strategies, the conceivable shift toward less sustainable and/or financially rewarding options would be a cause for concern.

In Achham, stocks in the main markets in Sanfe and Mangalsen (district headquarters) are plenty. Still, the retail price of rice has increased by NRs. 1.5-2 per kg over last year to NRs. 13/kg (Sanfe) and NRs. 20/kg (Mangalsen) because of price hikes in the Terai sourcing markets. With the exception of a dozen VDCs near the two Security Force base-camp areas, CPN(M) fixes food and nonfood commodity prices at lower rates than in Mangalsen. For example, rice sells at NRs. 20/kg in the headquarter market but NRs. 14/kg in the southern remote village of Binayak. Several such relatively remote markets (*“cooperatives”* in CPN(M) lingo) function irregularly, however: hostile activities by the warring parties tend to lead to intermittent shutdowns.

If and when such local market shutdowns coincide with prohibitions on the movement of commodities to other markets, including in the district headquarter, producers would be unable to sell their goods. In the conceivable scenario of prolonged or recurring correlation between market shutdown and movement prohibition, they might find themselves forced to emulate the shift in livelihood strategy of their peers in Toli VDC in Bajura, with the resultant implications and risks.

Price hikes in the sourcing market in the Terai have added NRs. 1 per kg to the general retail price of rice in Darchula. The same applies to Doti and Baitadi districts. Some of the more remote markets in Darchula have seen increases of up to NRs. 3 per kg. Now, rice sells at NRs. 25/kg in Khandeswori VDC, up from NRs. 22/kg at this time last year, and only NRs. 14/kg in the main road head market of Gokuleswor VDC (Fig. 3). The apparent proportional relationship between distance, on the one hand, and price increment, on the other, might be related to the increasing problems of accessing the rural hinterland because...
of the conflict. Still, transporters reported that the CPN(M) has changed its tax regime in Darchula so that only the first five trips to a given destination in a season are taxed. That should, all things being equal, encourage the steady movement of goods in the future – provided of course that they are also guaranteed not only safe passage, but also a competitive profit margin.

**Movement.** In Achham and Darchula, district headquarters are still under blockade by the CPN(M). Southern parts of Doti district see some access restrictions, also imposed by the CPN(M). This applies to the movement of people and commodities alike. In Bajura, the CPN(M) restricts the movement of foodstuffs to district headquarters. In the rest of the region, there is no restriction on movement at the time of reporting. Indeed, in Baitadi district, the CPN(M) lifted the blockade of headquarters to allow the stock of foodstuffs and commodities to be replenished in time for Dashain.

**Income.** Survey respondents claim that the CPN(M) routinely levies taxes on teachers and other government as well as NGO employees across the region. In most parts of Bajura, and some of Doti and Achham, the CPN(M) collects compulsory donations of 2 kg of cereals or other crop per household every season. For example, in Jupu VDC (Achham) alone, the CPN(M) reportedly collected 4.5 MT of paddy this reporting cycle. In addition, households report that they are required to feed one or two CPN(M) cadre on a daily basis. Currently, this survey cannot separate and so quantify the direct impact, if any, on household food security of such collateral impact of the conflict. However, going by historical data on national consumption levels, which indicate that a noticeable proportion of the population consumes less than daily normative requirements, it would seem reasonable to suggest that this CPN(M) practice of adding 17-35% to requirements (1-2 extra members added to an average family of 5.7) has some adverse effect on household food security among the rural poor.

**Migration.** Food Security Bulletin 6 reported a significant increase in the proportion of the WFP/VAM survey population that was away from their communities on short-term labor migration during September-October. With the numbers for the November-December reporting cycle in, that would appear to have been little more than an aberration in the established pattern: people going and returning at a slightly earlier point in the year than before. Indeed, for the Far Western Region en bloc, the data suggests a reduction in the rate of short-term migration. This masks minor local variations, notably in Doti which has seen a clear reduction and Darchula which has witnessed some increase in year-on-year migration rates (Fig. 4).

![Fig. 4 Percentage of short-term migrants from repeat survey communities](image)

**Mid Western and Western Regions Food Security, November-December**

Fourteen Monitors survey food security in the 13 Mid Western Hill and Mountain districts of Dailekh, Dolpa, Humla, Jajarkot, Jumla, Kalikot, Mugu, Pyuthan, Rolpa, Rukum, Salyan, and Surkhet in addition to the Western Terai district of Rupandehi, and migration patterns at 3 border points with India.

**Production.** Spread across all the three agro-ecological zones in Nepal (mountains, hills, and Terai), Mid Western and Western Regions have a slightly more complex agricultural calendar than the other regions do. In general, though, the months of November and December mark the end of the paddy and millet harvests as well as beginning of the wheat season. Some districts see the planting, others the harvesting of the important food basket crop of potato. Except in the Mid Western Terai districts of Banke and Bardiya, this bimonthly cycle is also the beginning of the cultivation of the main cereal of Barley. In the Mid Western mountain districts of Humla, Dolpa, and Jumla, farmers cultivate the alpine barley variety called Uwa, among other local crops, at this time (refer also to the seasonal calendar on p. 8).

For the fourteen districts taken together, the harvests of paddy, millet and potato in this cycle appear to have translated into increased food stock compared to last year (Fig. 5). That region-wise
trend masks few local variations, notably Rupandehi where farmers assess that their paddy yield is down by about 25% over last year’s after this season’s insufficient rains. Though, at the time of reporting, they had yet to thrash the paddy and so determine the exact extent of any reduction. In Mugu, respondents similarly complained that unfavorably timed rainfall had led to some reduction in millet and paddy yields this season. Jumla respondents likewise claim that the paddy and millet production was less this year but for quite a different reason: they allege that compulsory CPN(M) campaigns compelled them to leave their fields mid-harvest.

On a different and more upbeat note, the snowfall in Dolpa is assumed to be good for the recently planted wheat and barley crops because the snow cover retains the rain and helps it trickle through to the otherwise dry soil.

**Price.** Year-on-year variations in retail prices of the principal cereal of rice in the Mid Western and Western Regions are on the whole negligible (Fig. 6). Indeed, survey respondents characterize this cycle’s fluctuations as normal. NFC reports that it is meeting all delivery targets for mountain district headquarters, and WFP distributed 90 MT of rice in the 6 VDCs of Mukot, Narku, Rimi, Tripurakot, Raha, and Majhfal in lower Dolpa.

In Rupandehi, the price of rice is up by a slight NRs. 0.5/kg, which would tally with the expected lower production this year discussed above and with the fact that at the time of reporting the new rice harvest had yet to be thrashed and introduced in the market.

In parts of Humla, Dolpa, Jumla, Salyan, and Rolpa districts, as elsewhere, the CPN(M) fixes the price of a range of commodities, including locally produced foodstuffs, at lower than headquarter levels. In Rolpa and Rukum, their blockades of district headquarters have driven the price of rice up by perhaps as much as 25% in headquarter markets. Even the mere rumor of a future blockade appears to be able to drive prices up. Thus, market informants in Salyan district headquarters directly attributed an intermittent early-December NRs. 1/kg hike in rice prices to such rumors.

In Humla and Dolpa, CPN(M) cadres transport food and non-food commodities from road head markets to the local markets, or “cooperatives”, which the CPN(M) controls without adding any costs of doing so to the retail price. The notable implication is that Humla and Dolpa cooperatives are able to sell rice for 5-8% less than the subsidized NFC rate in the districts.

In districts, such as Salyan and Pyuthan, where outside food is supplied through road, rice prices have gone up by NRs. 1-4 per kg because of a combination of price hikes in the Terai sourcing market and CPN(M) taxes on road transport.

**Movement.** The CPN(M) prohibits the movement of, among other commodities, local produce, such as potato, other vegetables, and dairy products to district headquarters in Humla, Jumla, Pyuthan, Rolpa, and Rukum. The Security Forces disallow the movement of more than 10 kg of commodities, especially cereals, per person per trip to the villages in Jumla. In a similar vein, traders in Pyuthan are required to obtain official permission to import foodstuffs from outside the district. They claim, however, that the requirement is easily met and has not affected supply adversely.

In Dolpa, the CPN(M) has introduced a NRs. 800 per month levy on commodity transport by mule. Every day, about 100 mules, each loaded with 70-80 kg of marketable commodities, ply the route
from Sallibazar (the main road head market in Salyan) to Dolpa. Most of the cargo is rice and sugar. The caravan tends to stop around March when Dolpa has its next cereal harvest and so becomes self-sufficient in these commodities. Although the new CPN(M) levy has not yet translated into higher rice or sugar retail prices, it is conceivable that it will do so in Dolpa before the caravans stop in March.

**Migration.** Food Security Bulletin 6 reported a significant increase in short-term labor migration from the survey communities in September and October. The November-December data, however, indicate that that was little more than a deviation from the established pattern: people going and returning at a slightly earlier point in the year. Indeed, when taken together, the Mid Western and Western Regions data for this cycle clearly suggest a significant reduction in the rate of short-term migration. This masks few local variations, such as Jumla where the rate increase for the single repeat community surveyed during all four cycles is as high as 67% but absolute numbers involved a mere 3 (2003) and 5 (2004) migrants, and Dolpa the year-on-year migration rate of which has gone up by 11 percent (Fig. 7).

If survey communities resume their established pattern of short-term migration for labor in the Terai and India from January onward, this should show up in the next reporting cycle and hence Food Security Bulletin. In Salyan and Jumla, however, it reportedly has become harder to migrate outside the district after the CPN(M) has begun to demand fees from each migrant of up to NRs. 5,000, in total. The implication of this particular tax would likely be an increase in the proportion of people to whom the option of labor migration is unavailable and/or in the number of people who attempt to circumvent the CPN(M) system with the risk that entails. Given the basic cost of migration (e.g., food and lodging, and perhaps some means of transportation, en route), the poorest segment of the population has always been hard pressed to benefit from migration. With the added burden of taxation of migrant labor incomes, financial breakeven now might be out of reach for some of them.

The Mid Western and Western Regions illustrate an often-overlooked dimension of migration in Nepal. In the mountain districts of Humla, Dolpa, and Mugu, parts of the population shifts their abode from higher to lower elevation locations with the change of seasons. So, at the time of reporting, some of the survey communities have shifted from snow-clad upper to relatively warmer lower parts of the districts. This is a long-established pattern of dual residence and occupation (yak herding at higher and wild food collection and petty trade at lower altitudes) that typically follows a December-April-December cycle.

**Income.** Survey respondents claim that the CPN(M) routinely levies an 8% tax on the monthly income of teachers and other government as well as NGO employees across the regions. In most parts of the mountain and hill districts, the CPN(M) also requires each farming household to surrender a proportion of its produce every season. In general, this proportion equals seven days of household food consumption. In Dolpa district, respondents assess that the actual amount is in the range of 20-60 kg of cereals. In Jumla, they claim it is 10 kg. As in the Far Western Region, the same households tend to be obliged also to feed one or two CPN(M) cadres on a daily basis. In Salyan, business professionals are required to pay the CPN(M) between NRs. 200 and 700 a month to conduct their trade.

On the other hand, the CPN(M) is reported to have set up communal farming schemes in 11 VDCs in the Sinja area of Jumla district and involved the poorest segment of the population in the cultivation who in return receive part of the produce. In an agrarian society where food income and barter have a direct bearing on household economies, the CPN(M) taxation and control of food production, including its distribution, are not unlikely to have a lasting impact on the socioeconomic fabric beyond the mere issue of income regulation. The CPN(M)
policies might reconfigure the socioeconomic groupings of rural Nepal.

Central and Eastern Regions Food Security, November-December
Nine Monitors survey food security in the 12 Mountain, Hill and Terai districts of Dhanusha, Dolakha, Kavre, Makwanpur, Nuwakot, Parsa, Ramechhap, Rasuwa, Saptari, Sindhupalchok, Siraha, and Udayapur

Production. November and December mark the end of the paddy and millet harvest and beginning of wheat cultivation (refer also to the seasonal calendar on p. 8). As discussed in Food Security Bulletin 6, more than 80% of WFP/VAM survey participants in the Central and Eastern Regions are landless and largely depend on agricultural wage labor for household income even as some lease land for commercial vegetable cultivation. For that segment of the population, the close of this year’s paddy and millet season appears to have translated into increased food stock compared to last year (Fig. 8). This would support the suggestion that since this poor segment tends to be landless, the July floods did not affect them; landowners and landlords bore the brunt of the damage.

For the inundated Terai paddy fields, yield estimates are dismal. In Saptari, Siraha, Makwanpur, and Udayapur lowland areas, the guessimate is a 10% reduction, for Dhanusha 15%, in year-on-year yields on these fields. Other sources of income have been available to farmers in these areas, though. In Dhanusha, Saptari, Parsa, and Siraha, they reported strong earnings from this year’s vegetable production. And they claim that they could have done even better if frequent bandhs had not impeded their access to outside markets. Their peers in Udayapur and Ramechhap achieved comparable results from citrus fruit. In remoter parts of Parsa, some communities hoped to secure even higher returns from their recently planted marihuana crop.

The hill districts suffered hailstones in mid-October which respondents blame for significant localized reductions in paddy and millet yields. Their estimates of the year-on-year reduction in paddy are 20% for Sindhupalchok and Nuwakot, 33% for Ramechhap, and 40-50% for Rasuwa in the affected pocket areas. Millet production estimates for Nuwakot are 20% below last year’s yield. In Makwanpur and Rasuwa, the consensus is a 5-10% reduction. The exception is Ramechhap where this year’s millet harvest appears to be on par with last year’s satisfactory yield.

Especially in Makwanpur, the potato crop looks good. Five to six VDCs in the highland areas have already harvested potato and claim that the yield is about 5% greater than last year. The produce tends to be sold for other foodstuffs. In Rasuwa, Sindhupalchok, and Dolakha, potato planting continues through January. In Dhanusha, Saptari, Siraha, and Dolakha, wheat planting is now completed. In Parsa, Makwanpur, Rasuwa, Nuwakot, and Sindhupalchok, it is in progress.

Price. The effect of the July flooding of paddy fields is apparent from the year-on-year hike in the retail prices of rice in Nuwakot (+4%), Siraha (+7%), and Sindhupalchok (+12%). While this correlation is less clear in the other two flood-hit districts of Makwanpur and Dhanusha, prices does show an upward trend and likely reasons, other than decreased availability after the floods, include CPN(M) taxation of road transport and supply limitations during bandhs. The latter two would probably apply to the slight price hikes in Rasuwa district, too (Fig. 9). This does not necessarily translate into greater pressure on household finances, though: for example, in Udayapur, respondents relate how
they purchase basic commodities from the cheaper road head market and hence circumvent these fluctuations. That is an established practice; Hill residents prefer road head market prices because these are free of transportation costs.

Movement. In southern Makwanpur, the CPN(M) restricts the movement of food and non-food commodities to headquarters. In Sindhupalchok, the Security Forces prohibits the movement of readymade foodstuffs in the northern VDCs. In the rest of Central and Eastern Regions, there were no restrictions on movement, at the time of reporting.

Migration. The short-term labor migration rate for Central and Eastern Regions is slightly different than for Far Western, Mid Western, and Western Regions. As in the other regions, the percentage point increase reported in Food Security Bulletin 6 is offset by a lower rate during this cycle. Unlike the other regions, however, the Central and Eastern rate for November-December 2004 is still somewhat higher than a year ago (Fig. 10). The reasons might include freer access to Terai and Kathmandu labor opportunities and fewer and less severe CPN(M) movement controls and restrictions.

In Ramechhap and Dolakha, the established pattern is to migrate to Kathmandu for employment in brick and garment factories after the summer crop (paddy and millet) harvest; that is during this reporting cycle; to return in time for the winter crop (wheat and barley) harvest in March and April.

In Parsa, survey respondents complained of harassment by Indian Security Forces who allegedly accuse them of being CPN(M) cadre as they attempt to cross the border. Consequently, they claim now to prefer Kathmandu and Narayangadh (Chitwan district) over Indian labor migration destinations. Narrative information from Rasuwa and Udayapur indicates an increase in migration to third countries, such as Malaysia, Qatar and Dubai. A case in point is Thuman VDC in Rasuwa district from where about 50-60 residents reportedly have migrated to third countries. In conversation, a schoolteacher mentioned that the urge of young people, including very young girls, to venture abroad is so strong that a 12-year old had requested him to falsify and add 4 years to her age certificate so she would qualify for travel documents.

### Seasonal Calendar

<table>
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<tr>
<th>Region</th>
<th>Rice Planting</th>
<th>Rice Harvesting</th>
<th>Wheat Sowing/Cultivation</th>
<th>Wheat Harvesting</th>
<th>Maize Sowing/Cultivation</th>
<th>Maize Harvesting</th>
<th>Millet Sowing/Cultivation</th>
<th>Millet Harvesting</th>
<th>Barley Sowing/Cultivation</th>
<th>Barley Harvesting</th>
<th>Potato Sowing/Cultivation</th>
<th>Potato Harvesting</th>
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Source: HMG/N Department of Agriculture

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