Situation Summary

Between January and March, the food security situation across most of Nepal remained stable due to a good summer crop harvest that took place mostly in October-December 2010. However, in some localized areas where the summer crop was impaired, the situation has deteriorated.

Far Western Hill and Mountain districts were particularly affected by crop losses and multiple districts are experiencing a high level of food insecurity. Surkhet, Dailekh, Doti, Dadeldhura and Bajura are of particular concern, where multiple VDCs experienced average summer crop losses that exceeded 30 percent due to late/insufficient rainfall and in some areas hailstorm damage. In this region, NeKSAF District Food Security Networks identified 45 VDCs that are "highly food insecure (Phase-3)" where people are coping by consuming less preferred food, reducing the size of meals and selling household assets as the household food stock is sufficient for 1-2 months only, and local employment opportunities have generally decreased by 10-30 percent.

In the Karnali region, WFP food assistance has stabilized the food security situation, in the previous bulletin it was suggested that the situation could significantly deteriorate as household food stocks were very low. Due to WFP’s food assistance and the work of other development agencies, household food stock has recovered and for most households should last until the winter harvest. In addition, wage labor opportunities have improved due to the resumption of development work being carried out by a number of agencies. Many households are also receiving remittances (for instance, about 30 percent of households in Jumla and Kalikot are receiving remittance from India).

Winter crops (wheat and barley) will be harvested across Nepal between April and June; this is expected to improve the food security situation across the country. The District Agriculture Development Offices (DADOs) and NeKSAF District Food Security Networks (DFSNs) have reported a generally normal winter crop production outlook.

Rising food prices continue to be of concern in Nepal. According to the Nepal Rastra Bank, the consumer price index increased by 11.3 percent in mid-January 2011 compared to the 10.7 percent in mid-January 2010. This was largely driven by the food and beverage price index which rose by 17.6 percent.

Food Security Overview

<table>
<thead>
<tr>
<th>Food Security Cluster</th>
<th>Current Qtr.</th>
<th>Change over past quarter</th>
<th>Next 3 month outlook</th>
<th>Next 6 month outlook</th>
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<tbody>
<tr>
<td>1. Karnali</td>
<td>![Icon]</td>
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<td>2. Far-Western Hill and Mountain</td>
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<td>3. Rapti-Bhheri Hills</td>
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<td>4. Western Terai</td>
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<tr>
<td>5. Central &amp; Eastern Terai</td>
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<tr>
<td>6. Western Hill and Mountain</td>
<td>![Icon]</td>
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<tr>
<td>7. Central Hill and Mountain</td>
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<tr>
<td>8. Eastern Hill and Mountain</td>
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</tbody>
</table>

Food insecure population (MFWHM) 0.5 mln

Classification key
- Food secure
- Highly food insecure
- Moderately food insecure
- Severely food insecure
- Humanitarian emergency/ famine

Figure 1. Percentage of population food insecure*

Good summer crop harvest in late 2010, regular market food supply, and income from cash crops (cardamom in the Eastern Hill and Mountain) helped to maintain the food security situation at a normal level in most of the areas across Nepal. WFP food assistance played a vital role in keeping the situation at a moderate level in the Karnali.

The situation is likely to remain normal in most areas during the next quarter. The main winter crops, wheat and barley, will be harvested during April-June, which will help replenish the household food stock. The production outlook for the winter crop is normal.
An A3 size Food Security Country Map is available for download from the NeKSAP Google site: https://sites.google.com/site/nefoodsec/home/food-security-phase-classification-maps
Highly and Severely Food Insecure Populations

Across the Mid and Far Western Hill and Mountain (MFWMH) and Rapti-Bheri Hill districts, the population of highly and severely food insecure is estimated by WFP to be 0.5 million*. The number has significantly increased compared to the previous quarter (Food Security Bulletin, Issue-30) because of reduced household food stocks. In addition, households reported that local employment opportunities decreased by 10-30% and market food prices rose by 10-20 percent during the period.

The table below provides estimated figures of concentrated populations experiencing a high or severe level of food insecurity in 45 VDCs in the Karnali, Far Western Hill and Mountains and Rapti-Bheri Hills (reported by the NeKSAP District Food Security Networks). At these levels of food insecurity, households consume a poor and inadequate diet and are resorting to severe and often irreversible coping strategies such as reducing the size of meals, opting for less preferred food, heavy borrowing and selling of assets.

<table>
<thead>
<tr>
<th>District/VDCs affected</th>
<th>Highly Food Insecure</th>
<th>Severely Food Insecure</th>
<th>% of total district population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bajhang: Sunikot, Maulali, Kailash, Gadaraaya, Mashta, Byashi, Kandel, Kanda, and Dahabagar</td>
<td>26,000</td>
<td>0</td>
<td>13.5%</td>
</tr>
<tr>
<td>Darchula: Rapla, Guhunsha, Khandeshwori, Tapoban, Seri, and Ranisikhar</td>
<td>8,900</td>
<td>0</td>
<td>6.3%</td>
</tr>
<tr>
<td>Bajura: Dahakot, Manakot, Dogadi, Kailashmandu, Chhatara, and Tolidewal</td>
<td>31,500</td>
<td>0</td>
<td>25.5%</td>
</tr>
<tr>
<td>Baitadi: Amchaur, Shivanath, Maharudra, Kulau, Udayadev, Panchesworo, Mahakali, Sarmal, kotpetara, Nwadeu, Mahadevsthana, Mathairaj, Talladehi, Malladehi, Bijayapur, Sakar, and Kaipal</td>
<td>31,000</td>
<td>0</td>
<td>11.7%</td>
</tr>
</tbody>
</table>

Cluster 3. Rapti-Bheri Hills

Dailekh: Awalparajul, Pipalkot, Singandi, Dwari, Kansikandh, Jagannath, and Badabhairab | 20,300               | 0                      | 7.8%                          |

TOTAL THIS QUARTER | 117,700             | 0                      |
TOTAL LAST QUARTER (Mid & Far-Western Hill & Mountain Region only) | 11,300               | 0                      |
TOTAL LAST YEAR THIS PERIOD | 445,400              | 14,100                 |
DIFFERENCE:
COMPAORED TO LAST QUARTER | +942%               | -74%                   |
COMPAORED TO LAST YEAR THIS PERIOD | -100%               | 0                      |

Food security classification:
- Phase 1. Food Secure - household has secure access to food.
- Phase 2. Moderately Food Insecure – household members have reduced their consumption, calorie and nutrient intake of household members is borderline sufficient. In addition, the household is undertaking coping mechanisms such as borrowing money and selling non productive assets.
- Phase 3. Highly Food Insecure – household members have significantly reduced their consumption, calorie and nutrient intake is highly deficient. In addition the household is undertaking irreversible coping mechanisms such as selling productive assets and taking children out of school.
- Phase 4. Severely Food Insecure – household members have significantly reduced their consumption, calorie and nutrient intake is highly deficient. The household has limited coping mechanisms left and is likely to be selling final assets/ land.
- Phase 5. Humanitarian Emergency - there is no opportunity for the household to gain access to food, leading to starvation if no intervention is made.

*The food insecure population estimates are based on the 2009 projected population. A detailed description of methodology used by WFP to calculate food insecure population is provided on the NeKSAP google site: https://docs.google.com/viewer?a=v&pid=sites&srcid=ZGVmYXVsdGRvbWFpbnxuZWNyZw%3D%3D
Crop production

Map 2. Wheat Production Outlook

Map 3. Barley Production Outlook

Legend

Administrative Boundaries

Crop Condition

Normal (10% less than normal)
Moderate (20-45% less than normal)
Poor (46-80% less than normal)
Very poor (80-99% less than normal)
Extremely poor (99% less than normal)
No data
Not applicable
National Parks/Wildlife Reserve

Domestic Situation

- Wheat and barley are the main winter crops in Nepal; mostly cultivated during October-November and harvested during April-June (with the exception of a few mountain districts where cultivation is a little later). The District Agriculture Development Offices (DADOs), and NeKSAF District Food Security Networks (DFSNs) have predicted a generally normal production for 2011 (Map 2 and 3). This follows a good summer crop production in 2010/11.

- Approximately 92 percent of households in the Terai reported that they expect a normal harvest, 58 percent in the Hills, and 83 percent in the Mountains (Figure 2). Most households reported adequate and timely rainfall/snowfall during the plantation and growing of the crop and continue to experience favorable conditions.

- However, localized severe weather events in recent months will lead to crop losses in some areas. For instance, hailstorms and increased crop disease severely affected wheat production in parts of Dailekh, Baitadi, Bajura, Rukum, and Syangja. In Saptari and Siraha, the wheat harvest is expected to be moderately impaired (<20-40%) compared to normal; but better than last year. The decrease in production is expected to impact marginal subsistence farming households and landless daily wage laborers who are reliant upon agriculture based employment. The year-on-year increase in the price of main cereals indicates a serious concerns. On an average the price of coarse rice and wheat flour rose by NPR 2.7 (8.5%), and 4.15 (12.6%) in the month of March compared to the same period last year (Figure-3 in page 5).

Regional/International Situation

- India expects a strong wheat harvest in 2011; a recent forecast by FAO suggests India wheat production to be 81.5 million MT up by 0.9 percent compare to the good production year of 2010.

- FAO’s revised estimate of the world cereal production in 2010 stands at 2,237 million MT (including milled rice), 1.1 percent below the bumper output in 2009. A decline in world production in 2010 in the face of growing demands is expected to deplete the world cereal stocks. As an indication international cereal prices of major grains have increased sharply up over 70 percent compare to last year this time (“Crop Prospects and Food Situation”, FAO, March 2011).

Migration

- In line with standard trends, rural seasonal migrants started to return home the end of March to undertake the winter harvest and to plant summer crops during April-June. As migrant workers typically return home with some cash this has improved the overall food security situation for many households.

- Remittance is one of the main sources of income in the Mid and Far Western Hill Mountain (MFWHM) districts. For instance, it is reported that 30% of households in Jumla and Kalikot received remittance from seasonal migrants. It is reported that around 20% of income in MFWHM households is from remittances.
• Food prices continue to rise across Nepal. According to the Nepal Rastra Bank, the consumer price index (CPI) increased by 11.3 percent compared to 10.7 percent in the corresponding period of the previous year, while the food and beverage price index rose by 17.6%. The highest increase in CPI is observed in Kathmandu valley (13.9%), followed by the Hills (12.1%) and Terai (9.1%).

• During the period of this report (January– March), WFP Field Monitors reported that markets were functioning relatively well with most major transportation routes open and a low level of strikes and protests. However, in April/ May the number of strikes increased and major transportation routes were blocked on a number of occasions.

• Despite a normal harvest of cereal crops and relatively smooth functioning of transportation systems, the overall food price index continued to rise due largely to increased fuel prices and food transportation rates.

• The price of basic food staples are generally expected to come down slightly after the winter harvest, particularly wheat and barley. However, in the medium term it is expected that food price inflation will continue due to increasing fuel prices and transportation rates. An increase in strikes due to the ongoing political transition could also lead to an increase in food prices.

• As the monsoon approaches, a number of supply routes into hill and mountain regions will likely be blocked during the next period (because of landslides) this will have a likely impact on both supply and prices in remote areas.

• Compared to last year, the household food security situation generally improved. The improvement is mainly due to a better summer harvest this year compared to last year. However, in food insecure areas where the summer crop harvest was not good, half of the households in Phase 2 and 3 areas indicate that they have not been able to consume an acceptable amount and/or type of food (Fig 5).

• Food insecure households are mostly coping by borrowing, food and/or cash, depending on less preferred food, remittances, and spending savings on food (Fig 6). Some of them have also reduced expenses on education and have consumed seed stock.
The winter crop production outlook is generally positive, this is expected to contribute to an improved food security situation in April-June. However, the food security situation in the Karnali and the Far Western Hill and Mountains is likely to deteriorate between July and September as the ‘normal’ level of winter production will only be sufficient for about 1-2 months in these food insecure areas.

- Pre-monsoon rainfall has been good and the early outlook for the main summer crops of maize and paddy is good. Plantation of maize is ongoing and conditions are also favorable.

- Migrants from rural areas are continuing to return home and are bringing remittances which is improving household food security in many areas.

- Income from NTFP collection, sale of cash crops and livestock products, and tourism are expected to increase household income during April and May.

- Bandhs and strikes are expected to increase in the coming months and this could have an impact on food security. This will include: problems in transportation and the proper functioning of food markets and a reduction in wage labor opportunities.

- Markets in remote areas are also likely to suffer from disruption to supply routes because of monsoon rains. Seasonal landslides will likely impact hill and mountain districts—particularly in the Mid and Far West of Nepal.

- The impact of fluctuating international food prices on local markets also needs to be monitored closely—particularly in relation to cereals and other staples.
The NeKSAP District Food Security Networks (DFSNs) have been expanded to 72 districts across Nepal as of end March 2011. Likewise a District-Based Food Security Monitoring and Analysis training has been provided to 2,847 participants from 72 DFSNs (Map 4). This included a total of about 1,577 participants from government agencies; remaining other participants were from I/NGOs, UN agencies and civil society. Expansion of DFSNs to 72 districts and the organization of a District-Based Food Security Monitoring training for the DFSN members were the major activities planned to strengthen the Nepal Food Security Monitoring System (NeKSAP).