

*Depletion of food stocks increases subsistence farmers' vulnerability*

**KEY MESSAGES**

- Forecasts indicate weak El Niño conditions during this season, leading to irregular rainfall and affecting *Apante* and *Primera* crops in localized areas of the region.
- The poorest households in the most vulnerable communities located in the region's Dry Corridor will be stressed from March 2019, due to deteriorating livelihoods.
- Maize prices will rise from February onward and are expected to continue increasing at a rate similar to the previous year and above the five-year average. Red bean prices will remain stable and could be below average, due to an average 2018/2019 harvest.
- For vulnerable families, income from seasonal labor currently depends on tropical fruit production, sugar cane harvesting, shrimp production and, in particular, coffee harvesting, an activity which continues despite its static economic prospects, minimal wage improvements and limited employee recruitment periods.

Projected food security outcomes, February to May 2019 (left) and June to September 2019 (right)



- Phase 1: Minimal
- Phase 2: Stressed
- Phase 3+: Crisis or higher

Would likely be at least one phase worse without current or programmed humanitarian assistance

Source: FEWS NET

FEWS NET classification is IPC-compatible. IPC-compatible analysis follows key IPC protocols but does not necessarily reflect the consensus of national food security partners.

FEWS NET Remote Monitoring countries use a colored outline to represent the highest IPC classification in areas of concern.

**PROJECTED OUTLOOK**

The cold fronts season is currently under way in Central America, with four more events expected, including those in March 2019. In January and throughout the first 15 days of February, poorly distributed and below-average rainfall has been observed in the Caribbean basin of Central America, mainly due to weak El Niño conditions. There is a 55 percent probability of these conditions continuing into the northern hemisphere's spring 2019. Above-average temperatures have been forecasted, which could reduce the availability of water resources in the first season, leading to an irregular onset of rainfall in the 2019 *Primera* season.

**REGIONAL PRODUCTION AND SALE OF BASIC GRAINS**

**Apante production:** *Apante* (late *Postrera*) planting has been carried out mainly in areas of surplus and commercial production (maize and beans). This includes valleys with residual humidity, river valleys, areas near rivers and wetlands (in northern and eastern Honduras, north of the Central Region and Caribbean Region in Nicaragua and western, central and northern regions of El Salvador). Harvests in these areas should increase from February to April.

At the regional level, red bean production in the *Apante* season is most significant and supplies the national market, with surplus exported mainly to El Salvador and Honduras. According to sources, there are no major problems with rainfall irregularities, *Apante* crops are growing normally and harvesting is expected to begin in March.

**Primera planting in 2019:** According to the current El Niño forecasts, irregular rainfall is expected during the *Primera* season, which could affect seasonal crops, causing partial crop damage or crop losses again, mainly in subsistence agriculture areas.

However, governments have implemented various projects to encourage the basic grain production in the three countries' production areas, such as distributing agricultural packages in El Salvador and collecting rainwater for agriculture and livestock in Honduras.

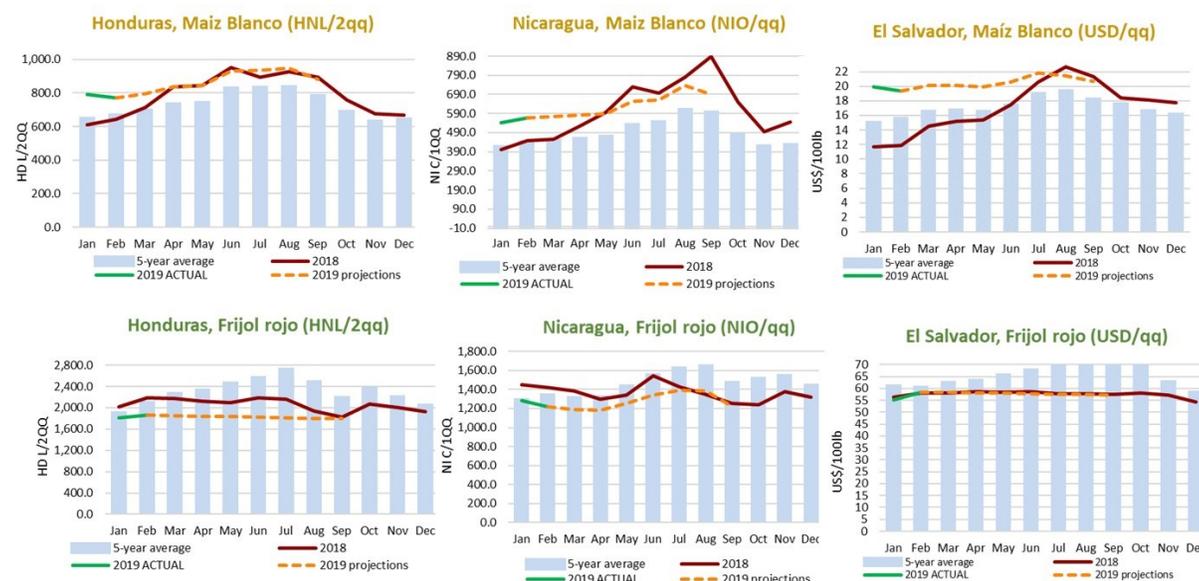
### FOOD RESERVES OF MOST VULNERABLE HOUSEHOLDS

In March 2019, vulnerable households in the Dry Corridor will have depleted their limited food reserves, which mainly comprise maize grains, beans, and for a smaller number of these households, sorghum. To meet their basic food needs, vulnerable households will need to purchase food from markets using income earned from seasonal labor.

### REGIONAL SITUATION OF BASIC GRAIN PRICES

The downward trend of white corn prices reversed from November in El Salvador and Nicaragua and from January in Honduras. Prices in these three countries are set to exceed last year's curve and the five-year average, with estimates (mainly from speculations) forecasting that they will remain higher than in 2018.

Prices of red beans are currently stable in the three countries, which could continue until September at average to below-average levels. However, if rainfall irregularities affect *Apante* production, this trend could be reversed and lead to increasing prices.



### COFFEE-GROWING SECTOR

Prices on the international coffee market are still depressed. In January 2019, the International Coffee Organization (ICO) composite indicator price was 105.58 USD cents. Due to these prices, the coffee-growing region is operating with negative balances, which has prevented wage improvements for vulnerable populations dependent on coffee harvesting and management activities during this season. Although coffee harvesting is unattractive due to its current low wages, it is the only option for low-income workers to generate income for subsistence. As a result, only the most vulnerable populations migrate.

Following the severe effects of the 2012/2013 leaf rust epidemic on coffee plants in the region, countries have been implementing different strategies, which have helped them recover, with official data estimating a relative growth in countries' production in 2017/2018 compared with 2016/2017. This has helped create jobs in the three countries' coffee-growing regions, particularly for the most vulnerable populations who need to migrate to other regions.

Despite these employment opportunities, poor households in the communities around coffee-growing areas do not find the work attractive because of the low wages, physical effort involved and lack of basic services (health, water, electricity) of those

who migrate. Coffee harvesting is therefore an alternative source of income only for those most in need, which means a greater reliance on family labor in small and medium-sized production units.

During the current coffee-harvesting season, the flow of labor between countries is continuing, with workers migrating in search of employment opportunities that will allow them to generate income for subsistence. Nicaraguan workers migrating to coffee-growing regions in Honduras, El Salvador and Costa Rica are searching for better-paid work. However, Costa Rican coffee farms have not run a recruitment drive for workers this season, as the internal conflict in Nicaragua has led many of its workers to migrate to Costa Rica, who now make up the labor force for harvest-related activities.

In Honduras, the flow of Guatemalan workers – who regularly migrate to the Copán, Lempira and Santa Bárbara coffee farms in search of work – has also been maintained.

Data from the Salvadoran Coffee Council indicate that by December 31, 2018, 650,470 quintals had been produced in El Salvador. In Honduras, forecasts for the 2018–2019 harvest estimate total exports at 9.2 million quintals. In Nicaragua, figures from the Ministry of Agriculture and Forestry indicate a positive trend, with a recorded 1.7 million quintals of raw coffee collected, which is estimated to exceed the previous period by 17 percent. According to the estimates of the Nicaragua Plan for Production, Consumption and Trade 2018/2019, the total production will rise to 3 million quintals in this period.

### *REMITTANCES AND MIGRATION*

El Salvador: According to the Central Reserve Bank of El Salvador, the country brought in USD 5,468.7 million in family remittances in 2018, an 8.4 percent increase compared with 2017. During the year, remittances were received from 162 countries, with most coming from the United States (USD 5 billion), followed by Canada (USD 49 million). In December 2018, the departments that received the largest proportions of family remittances were San Salvador (19.6 percent), San Miguel (11.7 percent), La Unión (8.2 percent), Santa Ana (7.9 percent) and La Libertad (7.7 percent).

Honduras: According to the Central Bank of Honduras, the country received family transfers worth USD 401 million in January 2019, which is USD 59.6 million more than the amount received in January 2017. Income from family remittances represents approximately 18 percent of Honduras' gross domestic product.

Nicaragua: According to records from the Central Bank of Nicaragua, family remittance income received from abroad was USD 1.501 billion in 2018, which is an increase of 7 percent compared with the previous year's total of USD 1.391 billion. In terms of annual growth, Nicaragua is ranked fourth among recipients of family remittances at the regional level.

### *OTHER SOURCES OF INCOME*

Vulnerable populations in the region that are nearby commercial farms will have access to employment opportunities, most of which involve the production of vegetables (onions, tomatoes, chili peppers, potatoes, okra) and tropical fruits (cantaloupes, watermelons, bananas), harvesting and production of coffee, sugar cane and tobacco, and farming of poultry, cattle and aquaculture (shrimp and tilapia). Commercial activities in the countries' various regions create very local employment opportunities. Intra-regional migration also occurs, though only for coffee and sugar cane harvesting.

According to the Nicaraguan Foundation for Economic and Social Development (FUNIDES), economic growth is expected to decrease by 9 percent in 2018 (from +5 percent to -4 percent), due to the country's political and socioeconomic crisis. This situation has not occurred in Nicaragua since the 1970s and the drop in financial indicators is unprecedented. Initial estimates indicate that economic activity in 2019 could fall by between 7 and 11 percent.

Since the start of the conflict in Nicaragua, it is estimated that more than 400,000 people have been dismissed or suspended. The economic activities with the highest levels of job displacement are: retail (35 percent), hotels and restaurants (16 percent), construction (12 percent), forestry and fisheries (10 percent), community, social and personal services (10 percent). Poverty is increasing in the country, with estimates indicating that 30 percent of the population (approximately 2 million people) may be in poverty and living on USD 1.79 or less per day if the crisis continues throughout 2019, representing a five-year setback.

## PROJECTED OUTLOOK THROUGH SEPTEMBER 2019

### Food security outcomes

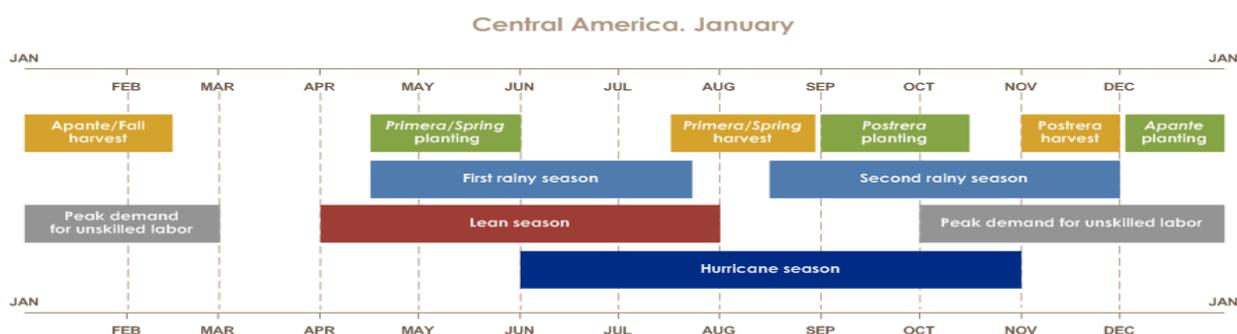
**Food availability:** Food available to vulnerable populations in the Dry Corridor, mainly in poor communities in southern and western Honduras (departments of El Paraíso, Choluteca, Francisco Morazán, Valle, La Paz, Intibucá, Lempira, Copán and Ocotepeque), eastern and western El Salvador (La Unión, Morazán, San Miguel, Cabañas, Usulután, Ahuachapán, Santa Ana and Sonsonate), and in central and northern Nicaragua (Estelí, Nueva Segovia and Madriz, Chinandega Matagalpa and Jinotega), mostly comprises stocks from their minimal maize harvests (*Primera*) and bean harvests (*Postrera*). However, this year, populations will deplete their reserves in March instead of May, due to losses in the *Primera* harvest. This will cause vulnerable households to depend on markets for their food from March to September 2019, when the first harvest begins.

**Food access:** Money earned from seasonal and sporadic agricultural, construction and commercial labor will help some vulnerable families to access markets, which they will use to meet only their basic food needs. Due to price volatility and increases, particularly maize prices, households' purchasing power will be reduced. The most vulnerable households will no longer receive earnings from seasonal coffee harvesting from March, due to limited income and seasonal labor opportunities. As such, households will only be able to cover their basic food needs that will allow them to survive the lean season, during which they will barter food within the community, with some family members possibly migrating to the nearest urban centers in search of employment in construction, retail or security services.

**Food consumption and changes in livelihood:** Due to coffee growers' lack of profitability, the most vulnerable populations engaged in seasonal coffee harvesting will not have access to higher incomes than in recent years and will be dependent on markets for basic products. With these scarce resources, vulnerable households will meet their basic food consumption needs, but will need to adopt coping strategies to cover their other basic household needs.

Vulnerable subsistence farming households in the region's Dry Corridor, mainly in southern and western Honduras, eastern and western El Salvador and central-northern Nicaragua, have limited food stocks due to losses from the *Primera* and *Postrera* harvests. Although these households will have access to basic food, they will find it difficult to access basic non-food goods, creating Stressed (IPC Phase 2) Food Security in these areas. However, a small number of the poorest households in communities that have been left out of the development of these departments and that do not have access to basic services (health, water, education, transport) or coping strategies will have limited food consumption and therefore experience Crisis (IPC Phase 3) levels of acute food insecurity.

## SEASONAL CALENDAR FOR A TYPICAL YEAR



### ABOUT REMOTE MONITORING

In remote monitoring, a coordinator typically works from a nearby regional office. Relying on partners for data, the coordinator uses scenario development to conduct analysis and produce monthly reports. As less data may be available, remote monitoring reports may have less detail than those from countries with FEWS NET offices. [Learn more here.](#)