

Key Messages

- Yemen has experienced high levels of acute food insecurity in recent years, stemming from political crisis, a weakening economy, and conflict-related displacement and disruption to normal livelihoods.
- Household purchasing power is expected to decrease in the coming months due to various factors, including increasing food prices and reduced labor opportunities. Because almost all poor households rely heavily on market purchase for food access, a deterioration in purchasing power would have implications on the quantity and quality of food access.
- The rapidly deteriorating security situation will exacerbate food insecurity. Areas of particular concern for deteriorating outcomes include Sa'dah, Hajjah, Abyan, Ad Dali, Lahij, and Shabwah Governorates, as well as the city of Aden. Most areas of Yemen are expected to be in Crisis (IPC Phase 3), with increasing populations in need of humanitarian assistance as the conflict continues. If conflict and market disruption continue, and humanitarian access is limited, the worst affected areas of Yemen could fall into Emergency (IPC Phase 4) over the coming months.

Context

- **Staple food imports account for a major share of national food availability in Yemen.** Wheat imports average around 2.8 million metric tons (MT) annually, accounting for 95 percent of national wheat consumption. On average, Yemen imports approximately 3.7 million MT of cereals, and the forecast for cereal imports during the 2014/2015 marketing year is 4.1 million MT, according to FAO/GIEWS.
- Agricultural production and population are concentrated in the western part of the country. Yemen's two rainy seasons in the central highlands occur from March to May and July to August. In coastal areas, including the Western Coastal Plain where sorghum production is concentrated, the main rain season runs from May through September. With these rains, milk availability also increases between April and October. **The main staple food and cash crop harvests are in June-July and October-December. Demand for labor peaks between September and January. Access to food and income is most constrained during the April-May lean season, prior to the first season harvests.**
- **Estimates from FAO indicate average cereal production in 2014.** Annual staple food production in Yemen averages about 426,000 MT of sorghum, 240,000 MT of wheat (the main staple consumed), and 83,000 MT of millet. Primary cash crops include qat, coffee, cotton, sesame, and tobacco.
- Although Yemen imports more than 80 percent of its cereals, **the agriculture sector provides a main source of employment for 54 percent of the population and contributed 17.5 percent of GDP in 2010**, according to the Ministry of Agriculture and Irrigation. In the densely populated, mountainous areas of western Yemen, rural livelihoods are dominated by agricultural labor, production of staple crops, cash crops, and livestock. To the east, broad swaths of northern Yemen are arid desert and are dominated by pastoralism, with agropastoral areas located on the southern and eastern plateau.

Food insecurity in 2014

- **Multiple shocks since the political transition in 2011/2012 have reduced the coping capacity of poor households**, particularly for those that have already been displaced by conflict in recent years, including many households in Abyan Governorate. **FEWS NET analysis for late 2014 indicated that most governorates in the densely-populated west of the country were in Crisis (IPC Phase 3) acute food insecurity.**

- According to WFP's 2014 Comprehensive Food Security Survey (CFSS) report, the prevalence of food insecurity was generally similar to 2011, although food security worsened in some governorates, including indications of a substantial deterioration of outcomes in Shabwah Governorate. Based on food consumption score (FCS) data from the survey, the CFSS estimated that 41 percent of the population (10.6 million people) is food insecure ("borderline" food consumption), with 19 percent (5 million people) in severe food insecurity ("poor" food consumption).
- Key drivers of food insecurity in 2014 included:
 - Disruptions in the fuel market contributed to increased food prices, with the cereal component of the consumer price index (CPI) rising by 16 percent from January to September 2014.
 - Increasing conflict disrupted normal livelihoods and access to markets in some areas, including in Al Bayda, Sa'dah, Hajjah, and Al Hudaydah Governorates. An estimated 80,000 people were displaced by conflict in 2014.
 - The political crisis contributed to macroeconomic disruptions, including reduced private sector investment and employment opportunities.
 - Although overall 2014 agricultural production was average, the late start to the first rain season affected production of some crops including legumes and coffee, especially in the central highlands of Sa'ada, Al Mahwiet, Amran, Dhamar, Sana'a, Al Bayda, and Raymah Governorates.

Food insecurity in 2015

- Public sector salaries and social spending have been disrupted, and it is unclear how or whether they will be paid in the coming months. Agricultural production and labor opportunities are likely to be limited by conflict in many areas. Food prices are expected to rise, particularly in conflict zones, which could be further exacerbated if the rial (YER) depreciates against the dollar (USD) and other currencies. **These factors will lead to decreased household purchasing power. Because almost all poor households rely heavily on market purchase for food access, a deterioration in purchasing power would have implications on the quantity and quality of food access.**
- **Most areas of Yemen are expected to be in Crisis (IPC Phase 3), with increasing populations in need of humanitarian assistance as the conflict continues.** Conflict-affected households with limited coping capacity may enter Emergency (IPC Phase 4). Current areas of particular concern due to ongoing conflict and poor food security indicators from the CFSS include Sa'dah, Hajjah, Abyan, Ad Dali, Lahij, and Shabwah Governorates. Although food security indicators for Aden were better than for almost any other area in the country in the CFSS, intense conflict has led to displacement and rapidly deteriorating food security outcomes. If conflict and market disruption continue, and humanitarian access is limited, the worst affected areas of Yemen could fall into Emergency (IPC Phase 4) over the coming months.
- **Key factors expected to continue to drive food insecurity in 2015 include:**
 - **The security situation continues to deteriorate rapidly** after continued Al Houthi advances and Saudi-led air strikes that began on March 26th (Figure 2). **Significant displacement, disruption of livelihoods, and disruptions to food imports, distribution, and normal market functioning are likely.**
 - As of January 31, 2015, the number of internally-displaced persons stood at 334,000, according to OCHA. On April 17th, a statement by UNHCR indicated that **the number of civilians displaced by the recent escalation of violence is estimated between 120,000 and 150,000 people.**
 - Although official fuel prices have remained steady in recent weeks (YER 150/liter; USD 0.70/liter), **the availability of diesel and petrol for purchase at this price is increasingly limited. Information from key informants in Sana'a, Al Hudaydah, and Ta'izz have indicated that as of April 13th the cost to consumers of fuel (black market price) in each of these cities is approximately YER 1,000/liter (USD 4.64/liter).** The

- increasing cost of fuel is expected to put upward pressure on staple food prices in most markets. Many households in Sana'a and elsewhere normally rely on mobile water tanks for basic water needs. The price of water from these mobile units in Sana'a is reported to have doubled due to the rising cost and limited availability of diesel.
- **Reduced oil revenues threaten the government's ability to maintain fuel subsidies, social spending and public sector salaries.** Revenue from oil exports, which accounts for 70 percent of the national budget, declined by 37 percent between 2013 and 2014, due to declining production and export capacity as well as a drop in international oil prices. Conflict has disrupted production during early 2015. In addition, several countries in the region have suspended financial support to the Yemeni government, most notably Saudi Arabia.
 - **The Yemeni rial (YER) is likely to depreciate against the U.S. Dollar (USD) and other currencies, increasing the cost of imported food commodities.** Yemen's foreign exchange reserves declined by 31 percent between 2009 and 2014. Recent reductions in international financial support and oil revenue are likely to further reduce foreign exchange reserves in the coming months.
 - Conflict has reportedly disrupted both the importation of goods and the transport of those goods from ports to their terminal markets. Given these factors, in combination with the likely reduction in fuel subsidies and depreciation of the rial (YER), **food prices are likely to increase in the coming months. Although FEWS NET does not have detailed current data on food prices across the country, initial reports indicate that prices for staples have risen by as much as 40 percent in some markets.** The availability of staples is also limited in some markets. While FEWS NET does not have a comprehensive list of markets where supply is becoming unusually low, reports received indicate that this is happening in Aden, Ta'izz, Sa'dah, and Amran.
 - The Ministry of Industry and Trade reported that, as of February 23rd, stocks of food commodities totaled 866,627 MT. This is equivalent to approximately 2.5 months of cereal imports, based on FAO estimates for the current marketing year. However, **ongoing conflict and limited functioning of the government will limit the distribution of existing stocks to local markets.**

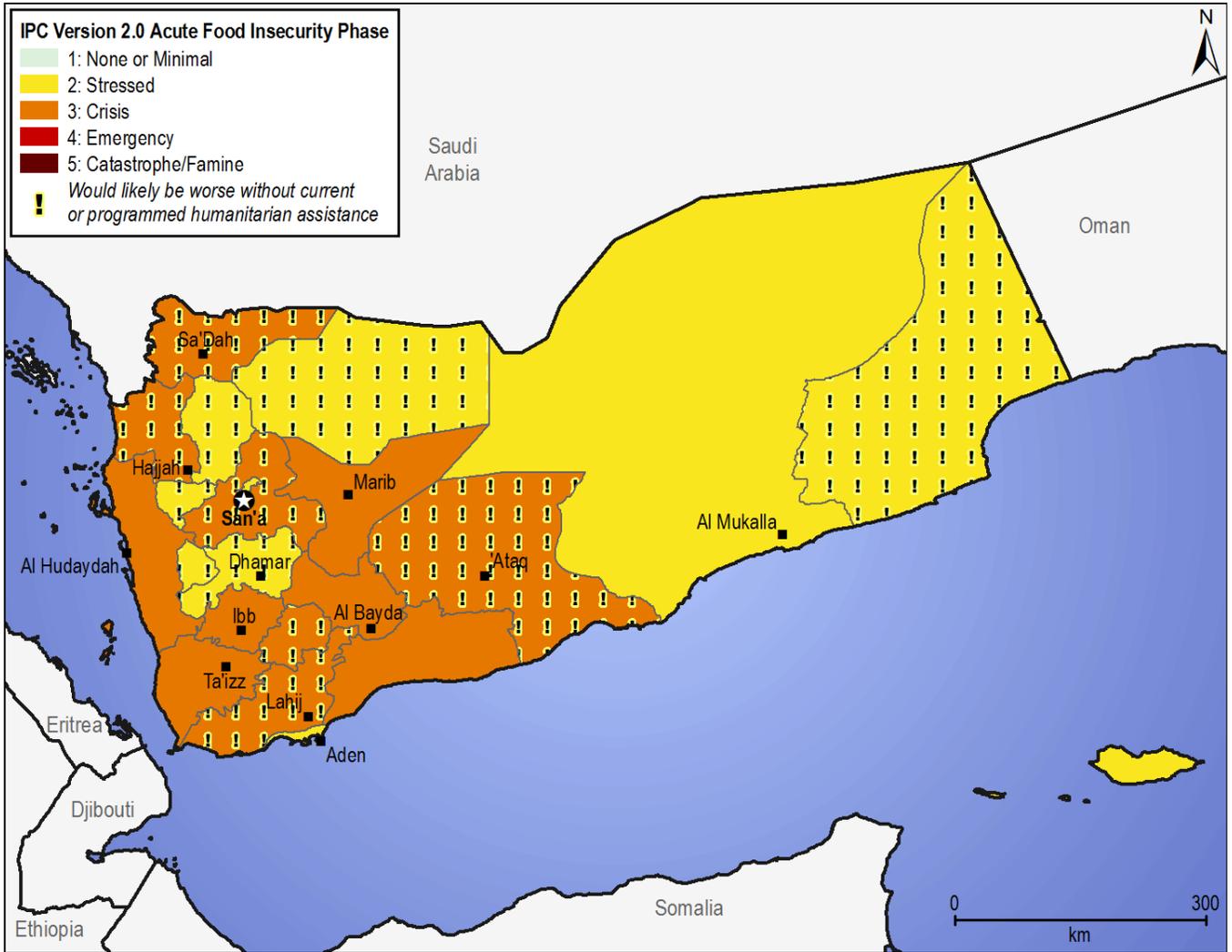
Priorities for emergency monitoring

The following indicators are critical for continued monitoring of the food security situation:

- Imports of staple foods
- Functioning of markets, including transportation from ports to markets
- Agricultural labor opportunities and harvest prospects
- Human displacement and humanitarian access
- Stability of the rial (YER) against the dollar (USD) and other currencies
- Payments of public sector salaries, social welfare and safety net programs
- Functioning of the banking sector and ability of Yemenis living abroad to send remittances

Figure 1. FEWS NET most likely food security outcomes, April through June 2015

Note: This map reflects analysis conducted prior to increases in conflict in late March and April.



Source: FEWS NET

Figure 2. Yemen Conflict Map – March 26 – April 10 2015

