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# Afghanistan Food Security Outlook

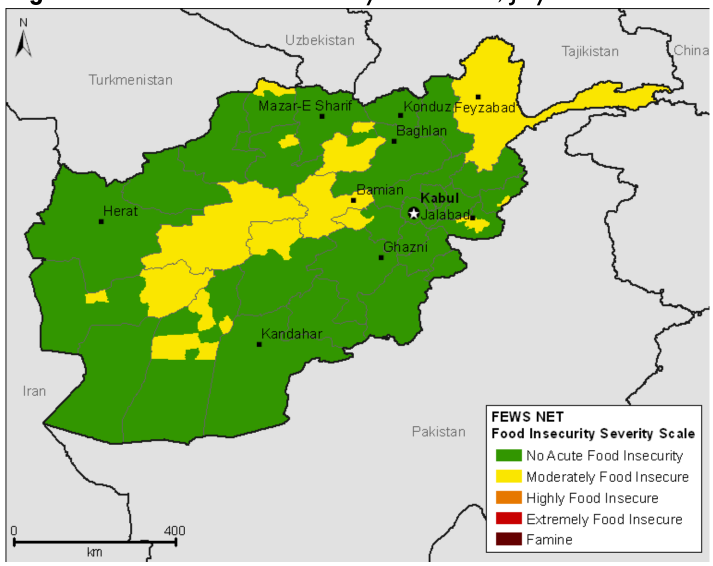
## July to December 2010

- The 2010 food security situation in Afghanistan is better compared to previous drier years (2007 and 2008). This is primarily attributed to two consecutive good agricultural seasons. The 2010 cereal harvest is estimated to be 5.7 million tons which is 10 percent less than 2009, a year with record high cereal production.

- North, northeast, northwest and western regions of the country are forecasted to have cereal surpluses with the exception of Badakhshan and Farah provinces. While the rest of the country – east, south and central regions – are forecasted to have a cereal deficit with the exception of Helmand province.

- Wheat market prices in June remain lower than the five-year average in all reference markets. Most wheat market prices are following seasonal trends for June, except in Kabul where wheat prices are steadily increasing.

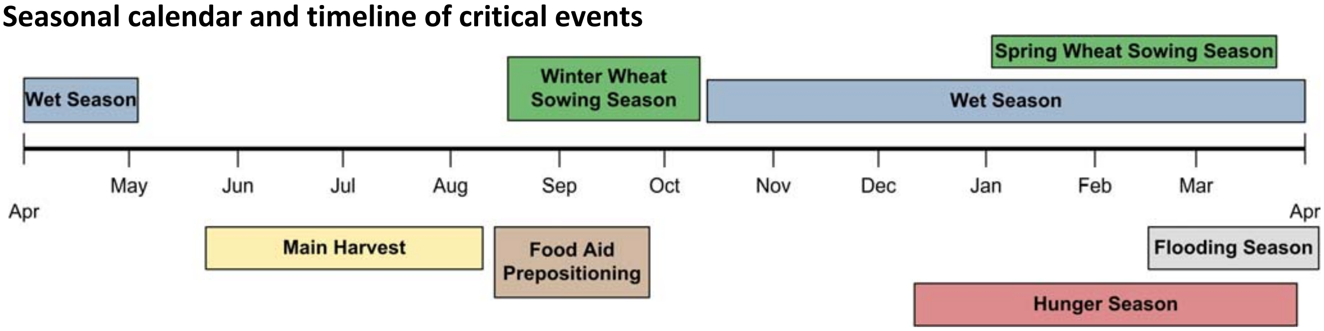
**Figure 1:** Estimated food security conditions, July 2010




Source: *FEWS NET*

For more information on FEWS NET's Food Insecurity Severity Scale, see [www.fews.net/FoodInsecurityScale](www.fews.net/FoodInsecurityScale)

## Seasonal calendar and timeline of critical events

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## Current food security conditions

The food security situation in Afghanistan is better compared to the previous drier years (2007 and 2008) because of two consecutive good agricultural seasons. Total wheat production in 2010 is estimated to be 5.7 million tons. Compared to the 2009 agricultural season, from which northern farmers still have leftover wheat stocks, this year's production was lower by 10 percent.

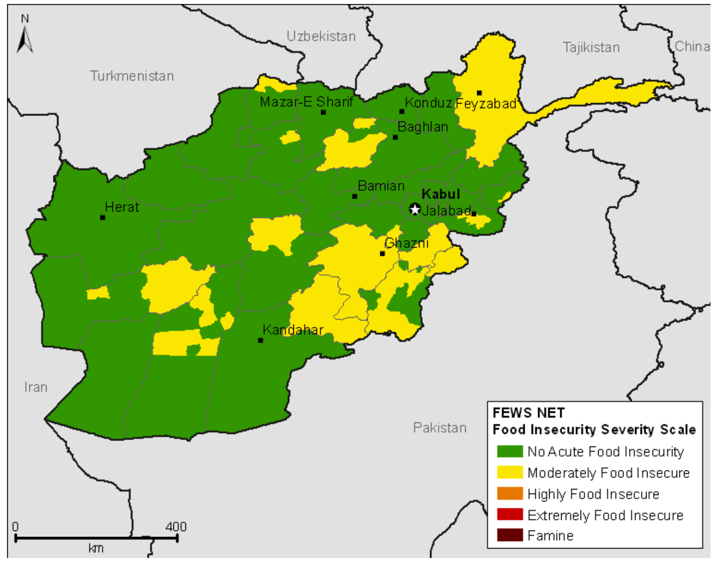
Based on MAIL's 2010 agriculture prospect report, the north, northeast, northwest and western regions of the country are forecasted to have cereal surpluses with the exception of Badakhshan and Farah provinces. While the rest of the country – east, south and central regions – are forecasted to have cereal deficit with the exception of Helmand province. This is a typical pattern for production in Afghanistan.

Wheat market prices in June remain lower than the five-year average in all reference markets. Hirat was 43 percent below the five-year average. This is followed by Mazar, which was 39 percent below the five-year average. This is a good sign for food accessibility in western and northern Afghanistan because Hirat and Mazar serve as major trading hubs for those regions.

Wheat market prices in June are showing some signs of unseasonable behavior in Kabul and Mazar. Compared to the 2006 reference year, a relatively stable year for wheat market prices, wheat prices in Kabul have steadily increasing (up to 29 percent) when prices usually remain flat. At the same time, Mazar and Hirat are falling below the reference year. In Mazar, wheat prices typically increase during this period. While in Hirat prices typically remain stable.

The most likely food security scenario for the next six months is expected to be relatively good. However, cereal deficit areas of Afghanistan that are suffering concurrent acute shocks such as flooding and decrease in income from remittance are likely to be moderately food insecure.

**Figure 2:** Most-likely food security scenario, July - September 2010




Source: *FEWS NET*

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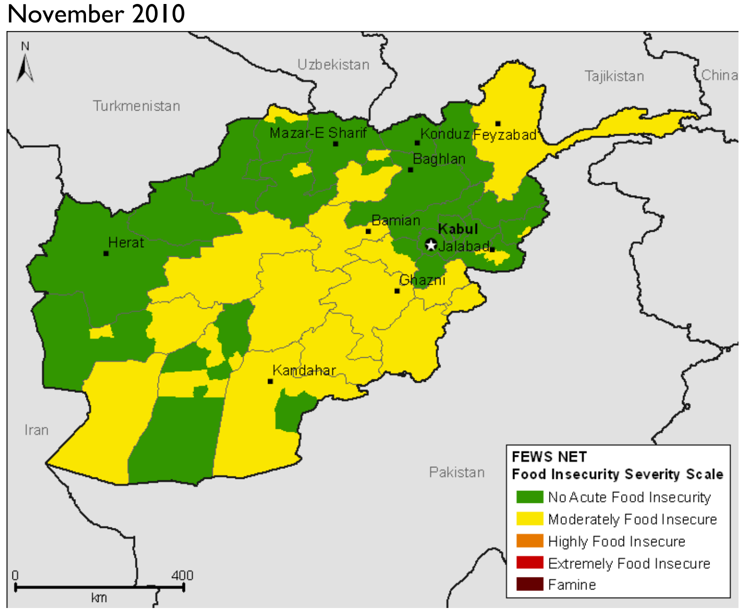
**Figure 3:** Most-likely food security scenario October to November 2010




Source: *FEWS NET*

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There is no up-to-date quantitative data to reveal the national magnitude of food insecurity of 2010. However, the last available NRVA data indicates that around 47 percent of the Afghan population is food insecure. Nevertheless one should be cautious using this figure as 2008 was an exceptionally dry year and food prices were prohibitively high in Afghanistan as well as in other food insecure countries of the world.

This outlook focuses on four provinces, which have heavy dependency on market rather than own production and suffers from other acute shocks such as flooding, deforestation, conflict and reduction in remittance inflows.

**Most likely food security scenario, July to December 2010**

The mostly likely scenario for the period of July to December 2010 is premised on the following assumptions:

- MAIL 2010 cereal crop production prospects are accurate.
- Security situation will not disrupt trade between markets.
- Future military operation will not lead to excessive displacement.
- Security will not prevent food aid distribution in food insecure districts of west, east, central and northern Afghanistan.

**Paktika Province: (Barmal, Wor Momay, Waza Khah, Omana, Ziruk, Nika and Turwo Districts)**

Paktika is typically a wheat deficit province where inhabitants access food from the market for most of the year (seven to eight months) and agricultural fields for the remainder of the year (four to five months). In comparison to the exceptionally large harvest in 2009, Paktika's 2010 cereal production decreased by 10 percent. This is mainly due to scarcity of irrigation water as most of the *Karizes* (underground water tunnel) have dried and poor households with small land holdings cannot afford to bore tube wells to pump irrigation water. This is not the case for better-off households because they can afford petrol powered water pumps.

Income from remittances plays a key role in income generation. Better-off households migrate to Gulf countries while poor households migrate to Pakistan. In recent years the amount of remittances for both groups has decreased, but more so for poor households because of ongoing insurgency and poor economic conditions in Pakistan. Remittance has reduced to the extent that poor households are unable to purchase seven to eight months of food from the market. Paktika harvest begins in May and by August the food stock from their own harvest runs out for poor households. Other sources of income for some areas of Paktika rely on forest products for income like collecting and selling firewood or nuts. Income from these activities has decreased because of excessive deforestation.

In addition, wheat market prices in Paktika, as reported by MAIL, indicate a slight increase during the harvest period. Typically prices are decreasing as wheat is harvest. It's not clear why the supply is not meeting demand this year, especially with a relatively good wheat harvest. Prices will continue to rise during Ramadan and the winter come closer.

The direct effect of reduced income from remittances and forest related activities is less access to food from the market, especially while there are unseasonable increases in wheat market prices.

Poor households are responding to the situation by engaging in irreversible coping strategies such as borrowing money that cannot be repaid in the long-term and selling productive animals. While external actors are eager to respond to the situation, the security situation will hinder access and unlikely allow for proper targeting at village and district levels.

In the most likely scenario, poor households in **Barmal, Wor Momay, Waza Khah, Omana, Ziruk, Nika and Turwo districts** are likely to be moderately food insecure in the coming three to four months as their own harvested stocks will run out by September and incomes from labor migration and forest will not allow for adequate food access for the remainder of the year.

**Paktya Province: (Zadran , Sayed Karam and Zurmat Districts)**

Similar to Paktika province, inhabitants of Paktya heavily depend on income from remittances to access food in the market. Farming households have exhausted more money than usual on livelihoods protection expenses during the growing season by irrigating crops via petrol-powered generators.

Remittances decreased in general; particularly from Pakistan to the extent that poor households can no longer purchase seven to eight months of food from the markets. Even though Paktya wheat production remained relatively stable in the past three years, the 2010 wheat deficits has increased by 95 percent compared to 2009, 14 percent against 2008 and 8 percent against 2007. This is a result of irregular population growth due to refugee repatriation.

Also similar to Paktika current situation, wheat prices have not decreased as the typically do during the harvest period.

The direct effects of reduction in remittances are weak purchasing power, which is the case even for the middle farming households as well.

Poor households are utilizing irreversible coping strategies such as borrowing money that cannot be repaid in the short-term and selling productive animals. On the other hand, assistance from external actors is likely to be greater than in Paktika, but the effectiveness of targeting will be questionable at village and district level due ongoing insurgency. Wheat prices are anticipated to increase by arrival of Ramadan and winter further putting pressure on food access.

In the most likely scenario, poor households of **Zadran , Sayed Karam and Zurmat districts** are likely to be moderately food insecure in three to next four months as households depend on food purchases, food stocks run low, and remittances decreased significantly.

**Day Kundi Province: (Kirjan, Khedir, Ishterlai and Mairamor District)**

Day Kundi province is one of the remote and chronically food insecure province in Afghanistan, whose population largely depend on food supplied by the market rather than their own production. Local agriculture and livestock play an important role in livelihoods. Due to heavy snow on the ground during the spring 2010, crops in the highly elevated districts in Day Kundi province matured late. This negatively impacted the 2010 harvest. In late May and early June, severe floods damaged around 13,000 *jirbs* of agriculture land, destroyed 300 houses and caused significant human and livestock losses in **Kirjan, khedir, Ishterlai and Mairamor district**.

The combination of late plantation and crop destruction by sever seasonal flooding pushed crop production estimate significantly lower; although the overall provincial production figures remained near the 2009 level. As a result of the localized crop destruction and poor road conditions, wheat grain prices in Neli city, the capital, are at a high level of 22 Afs/kg.

Income for poor households is not likely to be sufficient to purchase food and maintain livelihoods. Rehabilitating destroyed and damaged homes and agricultural land and purchasing livestock becomes a high priority before winter. External actors, such as aid agencies and the government of Afghanistan, are actively responding to the situation to the extent that the security situation allows.

In the most likely scenario, poor households in Day Kundi province expected to be generally food secure for three to four months when they get their harvest and again will be moderately food insecure by the beginning of January when the food stock run out.

**Farah Province: (Purchaman, Gulistan and Khak-i-Safid Districts)**

Eastern Farah is a mountainous area where inhabitants subsist to a lager degree on livestock, orchards and labor migration. This year, due to poor road conditions, livestock and orchard products are not transported to the market. Poor households typically migrate to Iran and neighboring districts to find labor opportunities. During recent years, labor migration to Iran has become highly restricted by the Iranian government. This year a poppy blight, destroying 30 to 50 percent of the poppy harvest, decreased the demand for migrant labor from Farah. **Purchaman, Gulistan and Khak-i-Safid districts** meets three to five months of their food needs from their own production and depends on market purchases for the remainder of the year.

The reduction in income from orchard products and remittances from labor migration in Iran and neighboring districts has led to weaker purchasing power for poor households. Communities are likely to rely on a weakening social network during the summer months, and eventually borrowing money from relatives will become difficult. Food prices are expected to remain stable because the Hirat province serves as a major wheat trading hub and wheat surplus province.

This situation has led poor households to aggressively engage in labor migration and exploring other options to maintain their livelihoods. External actors are undertaking programs to respond to the situation, which includes food aid distribution.

In most likely scenario, it is expected that he poor households in **Purchaman, Gulistan and Khak-i-Safid districts** will be moderately food insecure in the fall.

**Table 1:** Less likely events over the next six months that could change the above scenarios.

| Area | Event | Impact on food security outcomes |
|---|---|---|
| Paktika | - No food assistance / other program<br>- Deterioration in security | -If food aid will not reach the vulnerable districts level, food security level may change form moderate to highly food insecurity<br>-If security prevents the flow of commodities between markets then food security level will likely get worse |
| Paktya | - No food assistance distribution/ other program<br>- Deterioration security | -If food assistance will not reach the vulnerable districts, food security level may change form moderate to highly food insecurity<br>-If security prevents the flow of commodities between markets then food security level will likely get worse |
| Day Kundi | - No food assistance distribution/ other program | -Food aid distribution and other program may not fill the gap, food security level may get worse |
| Farah | - Rising wheat prices | -If wheat price increase in Hirat food access may worsen change to worst |

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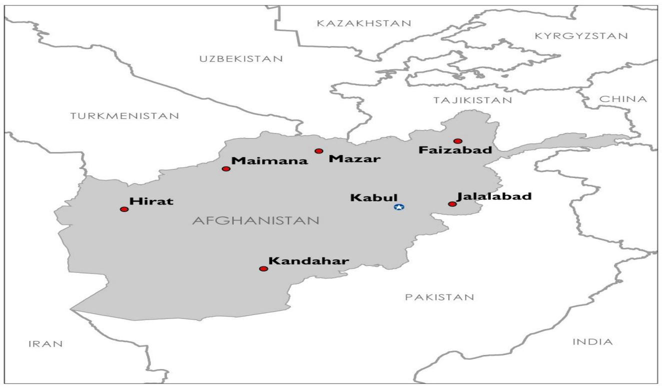
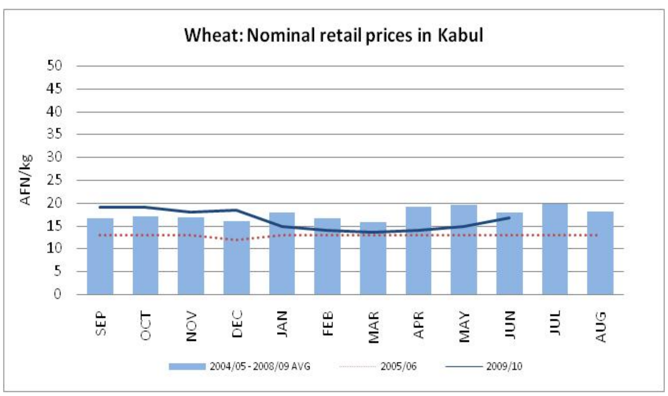
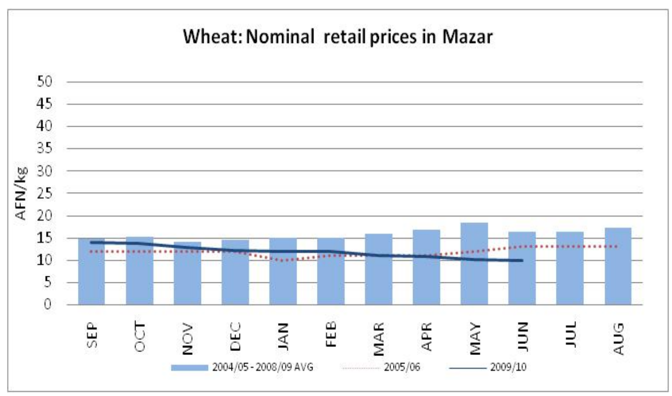
# AFGHANISTAN Monthly Price Bulletin July 2010

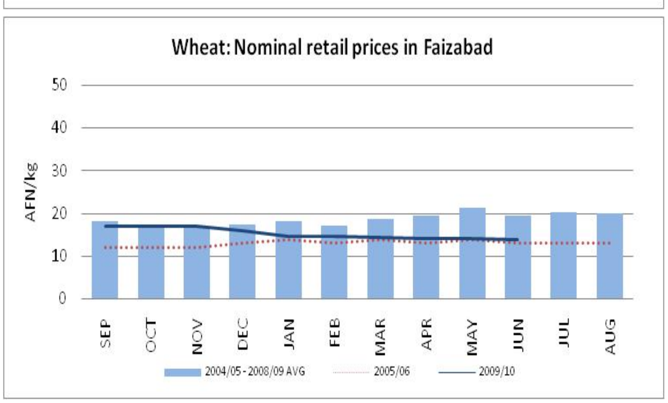


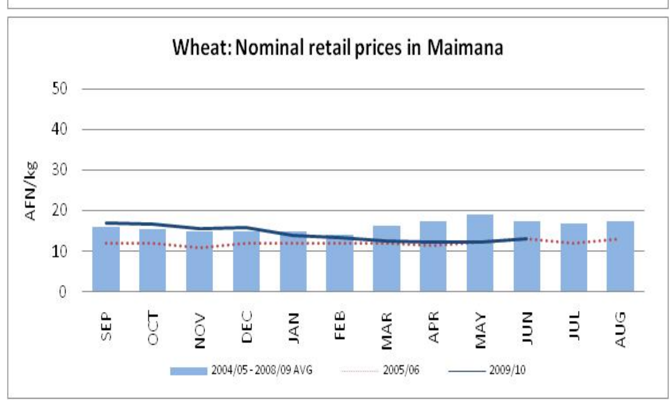

Monthly prices for Afghanistan are supplied by WFP VAM and the Ministry of Agriculture, Irrigation, and Livestock.

Wheat is the staple food for most Afghans, comprising more than 70 percent of their diet. Low-quality rice is a poor, but sometimes necessary, substitute. All markets represent significant population centers and consumer markets. Kabul, the capital, supplies the central provinces and is a transit point between the north, south, east, and west. Jalalabad supplies the eastern part of the country and acts as a cross-border market with Pakistan. Mazar-e-Sarif supplies northern provinces and, in a good year, the southern provinces as well. Faizabad supplies the chronically food insecure northeast region. Maimana market supplies the drought-prone northwest region. Hirat supplies the west. Kandahar supplies the southwestern part of the country where drought, civil insecurity, and war often hinder market activity.

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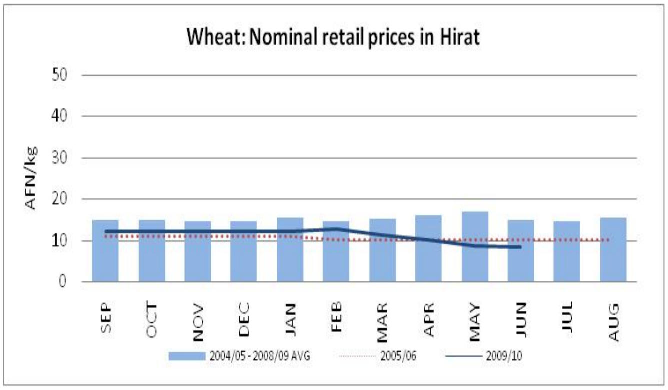
Wheat: Nominal retail prices in Hirat
AFN/kg
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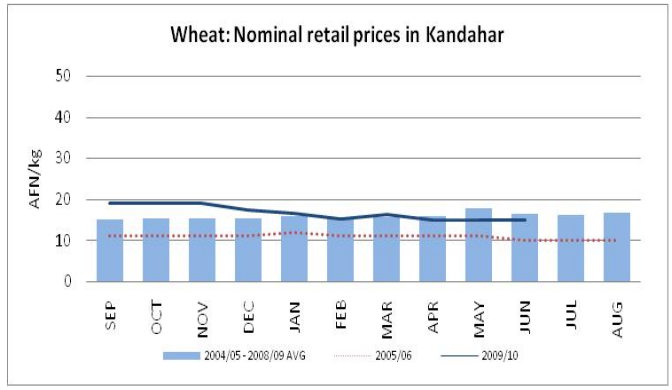
SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG
2004/05 - 2008/09 AVG
2005/06
2009/10


Wheat: Nominal retail prices in Kandahar
AFN/kg
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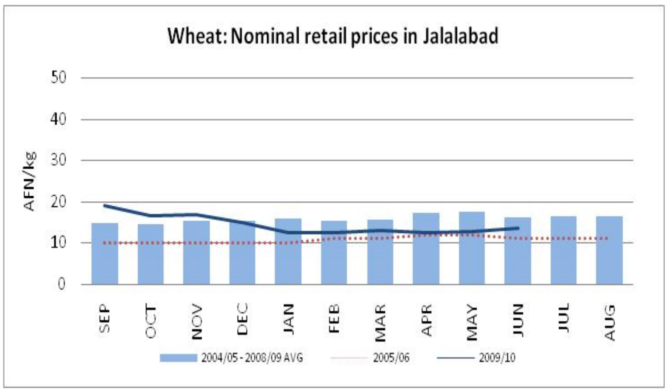
2004/05 - 2008/09 AVG
2005/06
2009/10


Wheat: Nominal retail prices in Jalalabad
AFN/kg
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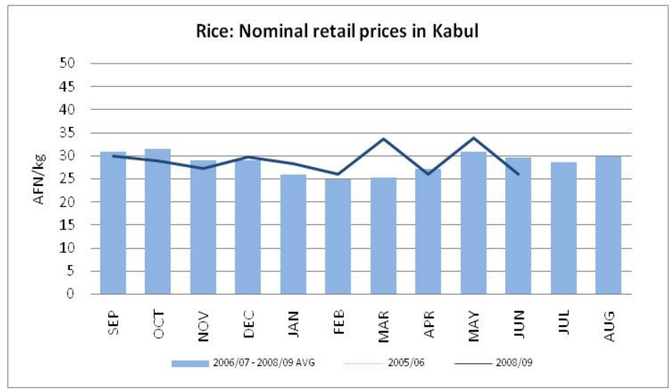
2004/05 - 2008/09 AVG
2005/06
2009/10


Rice: Nominal retail prices in Kabul
AFN/kg
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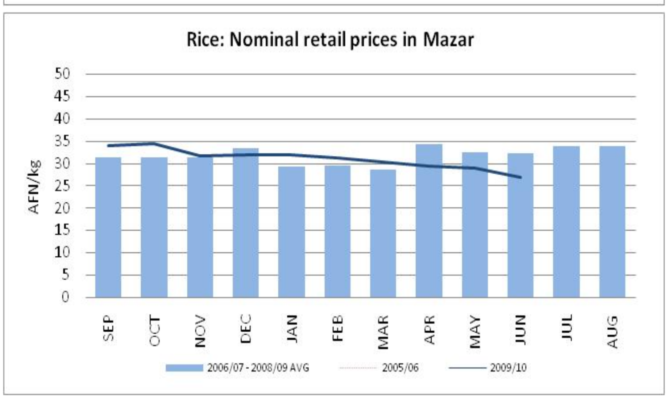
SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG
2006/07 - 2008/09 AVG
2005/06
2008/09


Rice: Nominal retail prices in Mazar
AFN/kg
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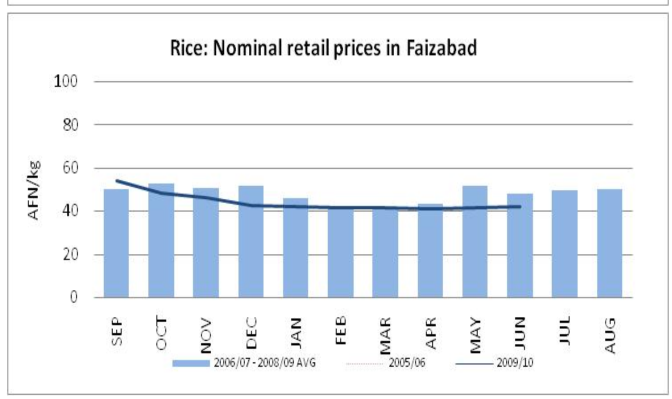
2006/07 - 2008/09 AVG
2005/06
2009/10


Rice: Nominal retail prices in Faizabad
AFN/kg
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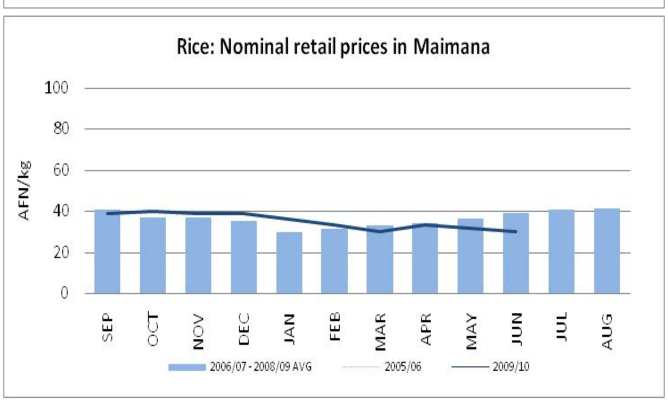
2006/07 - 2008/09 AVG
2005/06
2009/10


Rice: Nominal retail prices in Maimana
AFN/kg
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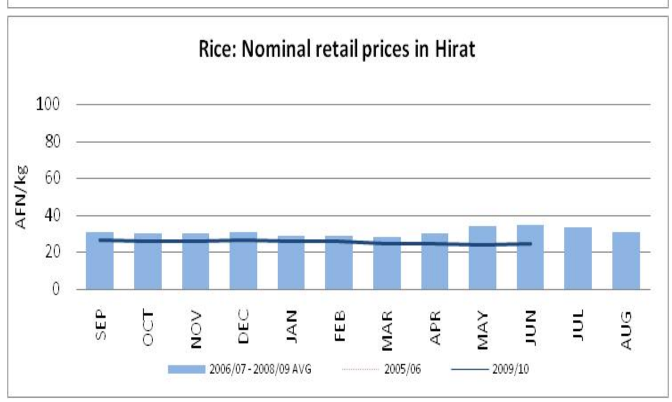
Rice: Nominal retail prices in Hirat
AFN/kg
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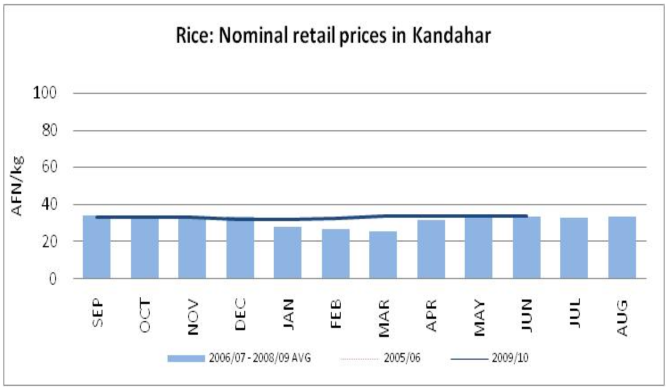
Rice: Nominal retail prices in Kandahar
AFN/kg
100
80
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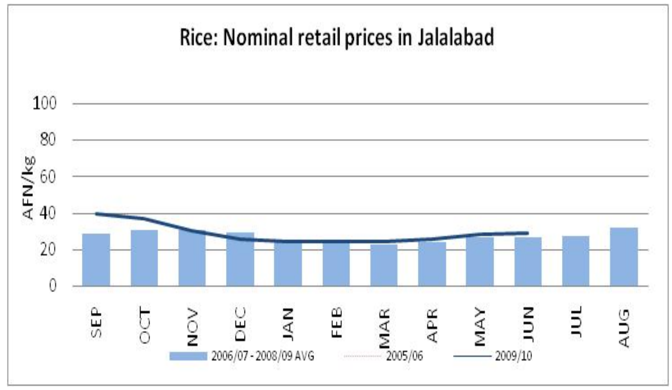
Rice: Nominal retail prices in Jalalabad
AFN/kg
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