FEWS NET
FAMINE EARLY WARNING SYSTEMS NETWORK

Central America and Caribbean Food Security Outlook June 2022 to January 2023

High prices of staples limit seasonal gains across the region

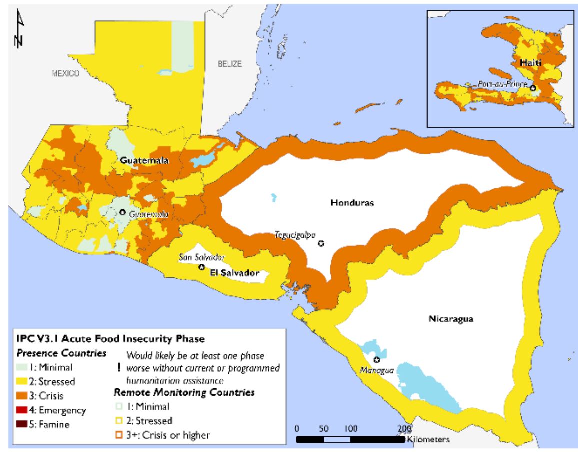
KEY MESSAGES

- In Central America, atypically high prices are worsening the impact of the ongoing lean season. Poor households in rural and urban areas are expected to experience Stressed (IPC Phase 2) outcomes while very poor households in the Guatemalan and Honduran Dry Corridor, in eastern Honduras, and northern areas of Guatemala affected by Eta and Iota face Crisis (IPC Phase 3) outcomes as they resort to unsustainable coping and consumption strategies during the lean season. By September, seasonal improvements from *primera* harvest and the beginning of peak agricultural labor demand will reduce the proportion of households facing Stressed (IPC Phase 2) and Crisis (IPC Phase 3) outcomes and improve overall food security outcomes. Most areas will be classified in Stressed (IPC Phase 2) through January, with some localized areas in the Guatemalan Dry Corridor remaining in Crisis (IPC Phase 3).

- Although regional markets are expected to remain well supplied with maize and beans, the prices of food, transportation, and fertilizers will continue above last year's levels and the five-year averages across the region. These prices will limit seasonal improvements in food availability, purchasing power, and access to food for very poor households who have yet to recover from the economic and climatic events of recent years.

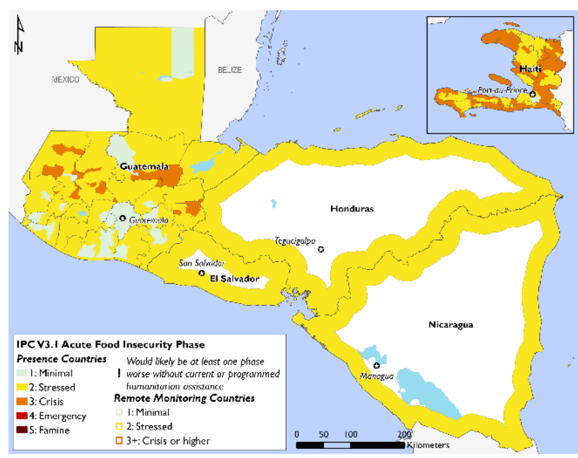
- The *primera* season is currently underway, and most crops are developing normally. However, the high cost of agricultural inputs has resulted in smaller cultivation areas for medium and small producers, and excess moisture has caused some localized damage. Above-average rainfall is expected to continue through the end of the year, which may result in a higher incidence of pests and diseases in staple grain and cash crops. This would cause slight to moderate reductions in production, limiting crop reserves for households and a decrease in the demand of agricultural labor.

Projected food security outcomes, June to September 2022



Source: *FEWS NET*

Projected food security outcomes, October 2022 to January 2023



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.

- In Haiti, disruptions from inflation, a lack of job opportunities, and insecurity are continuing to constrain household access to food and income. Very poor households, especially those impacted by previous shocks and those located in parts of Port-au-Prince, are expected to remain in Crisis (IPC Phase 3) throughout the outlook period. Meanwhile, the spring harvest was below average in many parts of the country due to rainfall deficits in April and May, resulting in Stressed (IPC Phase 2) outcomes for households in Artibonite, Centre, Nord, Nord-Est, Ouest, and Nord-Ouest. Depreciation of the Haitian Gourde and high prices of key commodities are also expected to negatively impact households' food access. In Port-au-Prince, the very poor security situation continues to paralyze markets and income-generating activities.

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OUTLOOK BY COUNTRY

Haiti

- Spring crops will improve food availability, especially in the Grand Sud region. However, rising prices are limiting households' access to food. In the regions of Artibonite, Centre, Nord, Nord-Est, Ouest, and Nord-Ouest, a successful spring growing season is not guaranteed, partly due to water deficits from April to May.
- The gourde/US dollar exchange rate on the informal market is up to 130 gourdes to 1 US dollar—nearly 20 percent above the official exchange rate. The gourde depreciated by about 20 percent against the dollar between May 2021 and May 2022.
- The security situation is further deteriorating in Port-au-Prince. From January to May, the number of kidnappings increased by more than 36 percent from the previous year, and the number of homicides increased by 17 percent, according to a United Nations report. Clashes between armed groups are escalating and continue to paralyze markets and income-generating activities.
- Inflation, lack of employment opportunities, and insecurity are disrupting households' access to their typical sources of food and income. Very poor households, especially those in the vulnerable neighborhoods of Port-au-Prince and areas previously affected by shocks, will remain in Crisis (IPC Phase 3) until January 2023. Households in areas where harvests are estimated to be close to average, including Sud, Grand'Anse, and some communes in Artibonite, Centre, Ouest, and Nord, may be Stressed (IPC Phase 2).

For more information, see the Haiti Food Security Outlook for June 2022 to January 2023.

Guatemala

- Households in the eastern and western Dry Corridor and in northern areas affected by storms Eta and Iota entered the lean season prematurely as a result of debt and a lack of savings, as well as continued price hikes for staple foods and transportation. Incomes during the current lean season are lower than normal due to a reduction in area planted and, consequently, in agricultural employment as a result of high fertilizer prices. Until September, these households will reduce the number of meals they eat per day and the amount of food in their diet. In addition, households will resort to negative coping strategies, such as atypical migration and selling productive assets, and will therefore be in Crisis (IPC Phase 3).
- Many households will progress to Stressed (IPC Phase 2) in October, when the peak agricultural labor season begins. The higher income this entails will allow for a seasonal improvement in diets. However, some households, especially in areas in the Dry Corridor and Alta Verapaz, will only manage to pay their debts and cover their immediate food needs, so they will continue to resort to unsustainable coping strategies, thus keeping them in Crisis (IPC Phase 3).
- In the rest of the country and throughout this outlook, the remaining poor rural households will be Stressed (IPC Phase 2). Given the high prices for fuel, transportation, and food, agricultural and non-agricultural incomes will not be sufficient to cover the cost of a varied diet. In addition, many households will see a reduction in their staple grain harvests for home consumption, which will lead to greater dependence on the market. To meet their food needs, they will have to use savings and loans, eat lower-quality food, and reduce other essential household expenditures. In addition, urban areas will be classified as Minimal (IPC Phase 1) throughout the outlook, thanks largely to gradual economic recovery.
- Although markets will continue to be supplied with maize and beans, food, transportation, and fertilizer prices will remain above the five-year average and increase each month due to the ongoing influence of international factors. In addition, high transportation costs and rain damage to roads will make freight movement more expensive.
- The production of staple grains could be affected by reduced area planted, increased fertilizer costs, and forecasts of unusually high rainfall. Rainfall has already caused flooding and landslides in some localized areas. However, demand for farm labor for the main cash crops is expected to be around average.

For more information, see the Guatemala Food Security Outlook for June 2022 to January 2023.

Remote Monitoring Countries[1]

El Salvador, Honduras, and Nicaragua

- This year, the lean season has been exacerbated by high prices and agricultural losses in 2021. As a result, poor households in rural and urban areas are expected to be Stressed (IPC Phase 2) until the *primera* harvest at the end of August. Meanwhile, poorer households in the Dry Corridor and eastern Honduras will continue to resort to coping strategies as they experience Crisis outcomes (IPC Phase 3). From September onwards, the harvest and higher demand for labor will cause a decrease in food insecurity, so the three countries will be classified as Stressed (IPC Phase 2) from October 2022 to January 2023.
- Inflation has increased by between 3.7 and 5.2 percent in all three countries since January 2022, and is expected to remain high until January 2023, limiting seasonal improvements, purchasing power, and access to food for poorer households that have yet to recover from the adverse economic and climate events of recent years.
- The *primera* agricultural cycle began in May and excess rainfall has caused localized damage to some crops. In addition, high production costs have resulted in medium- and small-scale producers reducing their areas cropped. High humidity conditions are expected to continue due to the La Niña phenomenon, which is forecast to bring above-average rainfall until the end of the year. These conditions could result in adverse events, such as increased incidence of pest infestations and diseases in staple grain crops, and even in cash crops. This could lead to slight to moderate reductions in production at the national level, as well as reductions in the length of time household crop reserves last for, and a decrease in demand for agricultural labor.

For more information, see the El Salvador, Honduras, and Nicaragua Remote Monitoring Update for June 2022 to January 2023.

EVENTS THAT MIGHT CHANGE THE OUTLOOK

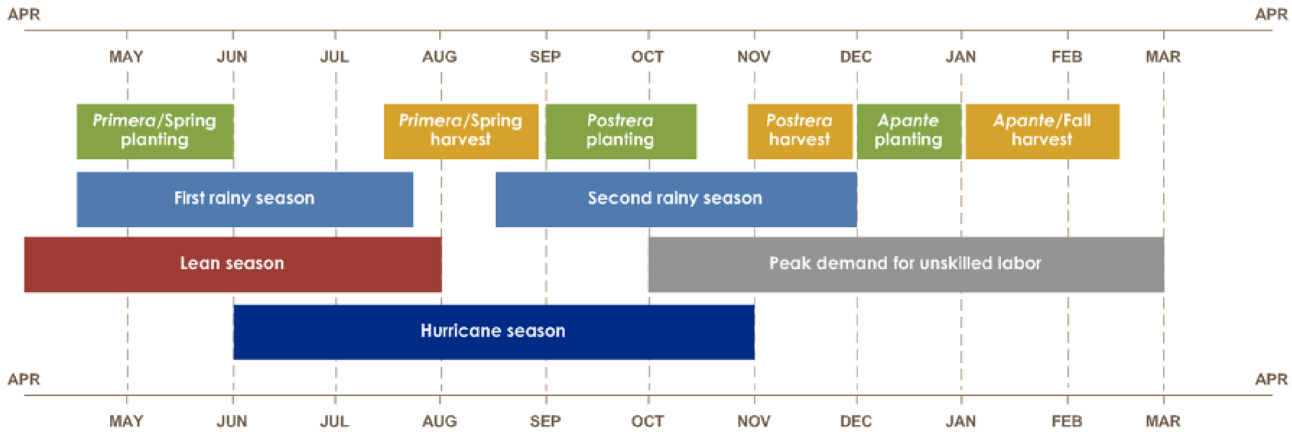
Table 1. Possible events over the next eight months that could change the most-likely scenario

Area	Event	Impact on food security outcomes
Regional	Additional increases in fuel, food, and transportation prices beyond current projections	A significant increase in the price of fuel, food, and transportation prices could cause additional increases along supply chains and further reduce access to food for the poorest households, increasing the population facing Stressed (IPC Phase 2) and Crisis (IPC Phase 3) outcomes.
Regional	Hurricanes	Given this year's above average hurricane projections, the direct or indirect influence of a tropical event could change agricultural production prospects and labor demand, which in turn could reduce food access and availability, depending on the hurricane's trajectory and magnitude. Food security outcomes would deteriorate with the loss of crops and other livelihoods.
Central America	Below average rainfall or extended and more intense *canicula*	This would negatively affect crops during their ongoing development and result in below-average yields and reductions in households' harvests. Were this to happen, additional households might face Stressed (IPC Phase 2) or Crisis (IPC Phase 3) conditions.
Central America	Additional above-average rainfall beyond current forecasts	Significantly above average rainfall increases the risk of pests and diseases, as well as landslides and flooding, from excess moisture. Additional crop losses would likely be reported, reducing household production and labor opportunities and increasing populations in Stressed (IPC Phase 2) and Crisis (IPC Phase 3).

[1] With remote monitoring, an analyst typically works from a nearby regional office, relying on a network of partners for data. Compared to previous series of countries in which FEWS NET has a local office, reports on remote monitoring countries may offer less detail.

Haiti	Intensification or easing of socio-political unrest	An escalation of violence would disrupt the functioning of the economy and markets. This would lead to a decrease in food availability and access and increase the number of areas and households in Crisis (IPC Phase 3). Meanwhile, increased socio-political stability would ensure a more conducive environment for investment and income-generating activities, and would result in the improvement of food security conditions.
Haiti	Drought conditions or erratic rainfall	Water deficits affecting seasonal crops would decrease fodder and water available for livestock, damaging poorer households' livelihoods and, therefore, their food security outcomes.

SEASONAL CALENDAR FOR A TYPICAL YEAR



Source: *FEWS NET*

FEWS NET: Central America and the Caribbean Food Security Outlook. July 2022: High prices of staples limit seasonal gains across the region, 2022.

ABOUT SCENARIO DEVELOPMENT

To project food security outcomes, FEWS NET develops a set of assumptions about likely events, their effects, and the probable responses of various actors. FEWS NET analyzes these assumptions in the context of current conditions and local livelihoods to arrive at a most likely scenario for the coming eight months. Learn more here.