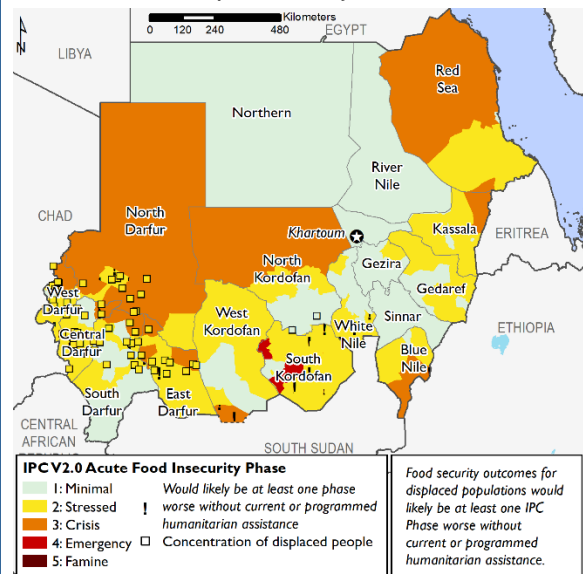


High staple food and fuel prices to drive increased assistance needs, lower crop production

KEY MESSAGES

- Sharp increases in staple food prices are likely to exacerbate the severity of food insecurity among populations affected by severe dryness and/or displacement in 2017. Between June and September 2018, IDPs in SPLM-N controlled areas of South Kordofan are likely to be in Emergency (IPC Phase 4), while poor households in North Darfur and Kassala states and IDPs in Jebel Marra will be in Crisis (IPC Phase 3). Across Sudan, assistance needs among poor households are likely to be higher than normal due to very high staple food prices.
- Staple food prices are expected to remain very high through January 2019, even though harvests starting in October 2018 could lead to small declines. Food security outcomes are expected to improve starting in October, following seasonal improvements in livestock productivity and as households access own-produced foods and earn in-kind income from agricultural labor. However, the number of people requiring emergency food assistance is likely to remain at above normal levels during the harvest period.
- Persistent long-term difficulties accessing foreign exchange in Sudan has resulted in severe fuel shortages and sharp increases in fuel prices between March and May 2018. Despite recent improved fuel availability in Khartoum, persistent fuel shortages during the planting season and sharp price increases for agricultural inputs are likely to reduce planted area and yields during the 2018 agricultural season to below-average levels, despite forecasts for above-average main season rainfall across many areas of Sudan.

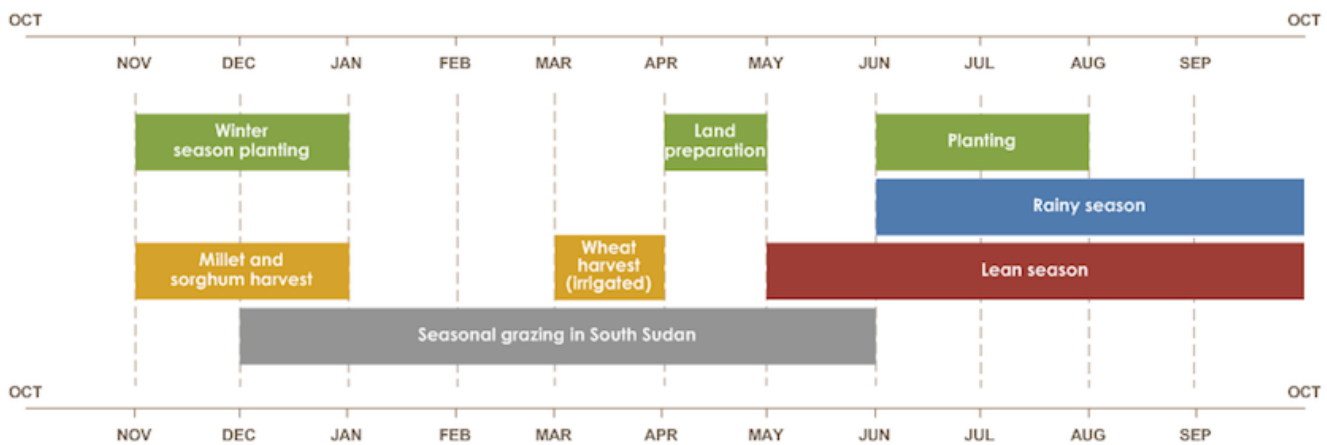
Current food security outcomes, June 2018



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.

SEASONAL CALENDAR FOR A TYPICAL YEAR



Source: FEWS NET

NATIONAL OVERVIEW

Current Situation

Seasonal performance

Performance of main season (June to September) rainfall has begun favorably over most areas of Sudan, with remote sensing products indicating early rainfall in May, and field reports suggesting an earlier than normal start of season. In some parts of southern Gadarif and Blue Nile states, the amount of rainfall received over the course of May 2018 is sufficient for planting, which is one month earlier than normal. Field reports also indicate that above-average levels of vegetation have been observed in Northern Kordofan, the Bottana, region and scattered pastoral and agropastoral areas in the center of the country.

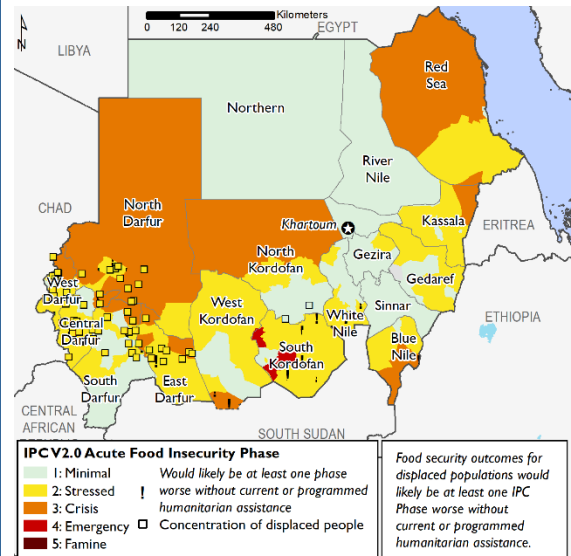
Overall, cumulative rainfall to date according to RFE 2.0 ranges between 25 to 75 mm over parts of southern, eastern, and western Sudan (Figure 1), which is near or above average, depending on the area. The Sudan Meteorological Authority (SMA) reported by the end of May 2018 that southern parts of the country received above normal to normal rainfall, while near-normal rainfall has been recorded elsewhere. Rainfall declined during the first 10 days of June, before increases were observed in mid-June. Additional monitoring is needed to evaluate the seasonal progress and its impact on agricultural and pastoral activities.

Macroeconomy

Since late 2017, the Government of Sudan has begun to implement significant changes to economic policy in response to persistent, long-term difficulties accessing foreign exchange and government funds with which to support food and fuel imports and subsidies. These changes include the removal of subsidies for wheat and wheat flour imports, devaluation of the Sudanese Pound (SDG), and reductions in direct purchases of key commodities from abroad. The Government of Sudan devalued the Sudanese Pound (SDG) from 6.7 SDG/USD to 30 SDG/USD and subsidies of wheat and wheat flour were lifted in February 2018.

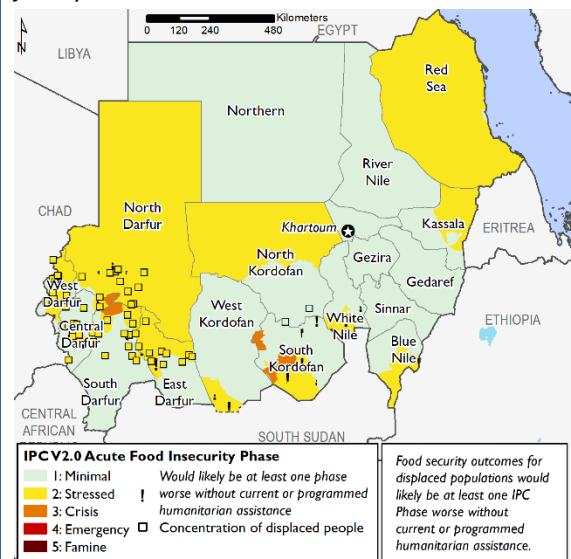
Given the government’s inability to continue these purchases at typical levels and to maintain subsidies for the sale of these commodities on domestic markets, extreme fuel shortages have been reported all over the country since late March 2018. In areas such as North Kordofan, North Darfur, and Gadarif, field reports suggest fuel shortages have driven shortages of water pumped from boreholes for livestock consumption and irrigation of off-season crops. WFP reports that fuel shortages have disrupted the delivery of humanitarian assistance, with only 36 percent of the planned in-kind food assistance to Darfur in April 2018 distributed due to fuel shortages. Fuel availability has improved since late May 2018, largely due to reported increases in fuel imports, but diesel remains in short supply at fuel stations. As a result of the fuel shortage, transportation costs have increased by 60-70 percent and are expected to limit the quantity, and increase the cost, of cultivation during the current agricultural season — particularly in the semi-mechanized sector. In turn, this will lead to reductions in area planted, and fertilization use, leading to a combination of reductions in area planted and yields. According to Sudan’s Central Bureau of Statistics (CBS), inflation in Sudan increased from 55.6 percent in March 2018 to 57.65 percent in April 2018. The bulk of this increase is derived from the increased prices of foods and drinks, but also due to the

Projected food security outcomes, July to September 2018



Source: FEWS NET

Projected food security outcomes, October 2018 to January 2019



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.

increased cost of transportation. Between April 2017 and April 2018, inflation increased from approximately 34.8 percent to 57.6 percent.

Cereal prices

Sorghum retail prices between April and May have increased by ten to fifteen percent in Khartoum, Port Sudan, and Kassala markets. The highest price increase of 38 percent during this period was reported in Gadarif (a main production area) followed by El Obied, Ad-Dain, and Madani with increases between 23 and 28 percent. Millet retail prices also have increased by five to 20 percent across most markets between April and May, with the highest increase (35 percent) reported in Port Sudan in Red Sea state. The high increase in sorghum and millet prices was mainly attributed to the significant increases in transportation costs, which coincided with seasonal increases in demand for local consumption. Current levels of sorghum and millet prices were on average 138 and 172 percent, respectively, above their May 2017 levels, and 220 and 225 percent above the recent five-year average.

Prices of locally produced wheat continued earlier than usual seasonal increases between April and May, following the recently concluded harvest in March and April 2018. Wheat prices increased five to ten percent across most markets. These increases in locally produced wheat prices were attributed to the extremely high production and transportation costs this year and associated with sharp increases in prices of imported wheat and wheat flour following the removal of subsidies in February. May 2018 levels of locally produced wheat prices were on average 120 percent above the price in May 2017 and over 200 percent above the recent five-year average.

Livestock prices

Livestock prices slightly increased in most markets between April and May 2018 due to the seasonal increase in demand for local consumption during the wholly month of Ramadan as well as for export to Saudi Arabia. Sheep and goat prices increased by five to 10 percent in most markets and remained stable in few markets. Current average livestock prices were about 55 percent above last year and over 120 percent above the recent five-year average.

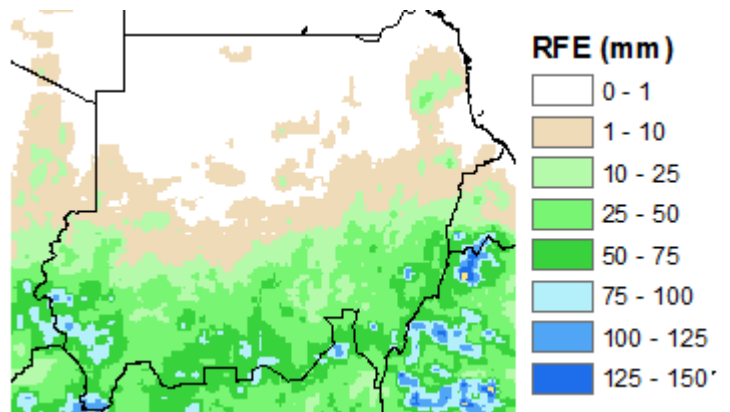
Labor prices

Labor wages continued the typical stable trend during the post-harvest period in most markets monitored by FEWS NET. Labor wages remained relatively stable in most markets between May 2018 and April 2018 due to seasonally low demand during the post-harvest period. Current levels of labor wages were similar to the same period last year. Daily labor wages are likely to begin typical seasonal upward trend during the scenario period (the main agricultural season) that extends from June 2018 to January 2019 due to high demand for agricultural labor for weeding and harvesting.

Terms-of-trade and household purchasing power

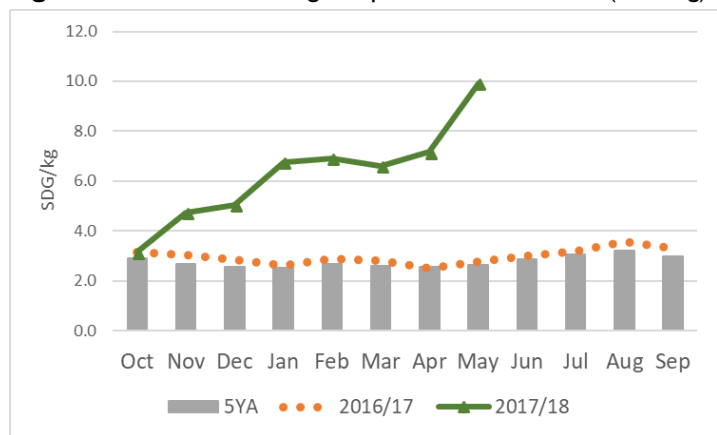
In May 2018, sorghum to livestock terms-of-trade (TOT) continued to be in favor of sorghum producers/traders in most markets monitored by FEWS NET due to the sharp increase in staple food prices induced by the macro economic challenges and the high transportation cost, in addition to high seasonal demand associated with the start of the typical lean season in

Figure 1. Satellite Rainfall Estimate (RFE), June Dekad 2, 2018



Source: USGS

Figure 2: Retail nominal sorghum prices, Gadarif market (SDG/kg)



Source: FEWS NET/FAMIS

June 2018. Goat to sorghum terms-of-trade in May 2018 were 40 to 70 percent lower than of same period last year and the five-year average. Similar trends in terms of trade were observed for other sources of income, including the labor to cereals terms of trade. The declining trend of sorghum TOT is mainly due to the sharp increase in sorghum prices induced by macro-economic changes and increased transport costs. The deteriorating TOT is reducing the ability of poorer households to access food through market purchase, as their main income sources are not keeping pace with the increase of staple prices.

Conflict and South Sudanese refugees

The influx of South Sudanese refugees into bordering states of Sudan continues due to ongoing conflict and food insecurity in South Sudan. According to UNHCR, since December 2013, more than 765,000 refugees from South Sudan have arrived in Sudan, of whom 19,207 arrived in 2018 so far. About 1,522 South Sudanese refugees arrived in May 2018, most of whom arrived in East Darfur, West Kordofan, White Nile, and South Darfur states.

The declaration of the unilateral ceasefires by the Government of Sudan and main armed rebel groups in Darfur, South Kordofan and Blue Nile states since last year has resulted in improvements to the security situation in these areas due to reduced fighting. Subsequently, the influx of conflict-displaced people during the first half of 2018 declined significantly compared to recent years of active conflict in these areas. According to a recent update from the Government of Sudan, the number of IDPs across Sudan has reduced from 2.3 million last year to about 1.9 million in May 2018, most of whom are protracted IDPs in Darfur. The relative stable security situation encouraged the return of some IDPs to their home villages in Darfur. The government reported the return of about 386,000 people in Sudan since last year, mainly in Darfur. Government officials in East Darfur state reported 5,382 households, 1,291 households and 331 households have returned to Yassin, Shiariya and Asalaya localities since the beginning of this year respectively. The IDPs returned from Kalma and Otash camps in South Darfur State as well as Zam Zam camp in North Darfur State. A lack of basic services and infrastructure in addition to insecurity in some areas continues to prevent the return of displaced people to their areas of origin. Field observations indicated the relatively reduced fighting between Sudan Armed Forces (SAF) and Sudan People Liberation Movement North – Abdel Aziz al-Hilu (SPLMN-AH) faction in South Kordofan state over the past year has encouraged IDPs to return for cultivation in government-controlled areas of South Kordofan state. Similar patterns of return are reported in government-controlled areas of Blue Nile state.

Skirmishes between SAF and Sudan Liberation Army – Abdel Wahid faction (SLA-AW) in pockets of Jebel Marra since February 2018 and the tribal conflict between nomads and sedentary farming communities in Western Jebel Marra displaced about 11,500 people to Rokero town and nearby Jemeza villages. In addition, 8,900 people have been displaced in parts of East and South Jebel Marra in South Darfur in April and May 2018. So far, the IOM registered and verified 2,279 new IDPs from East Jebel Marra in Marshang locality in South Darfur. Marshang IDPs were from Rabkona, Suwannee and Feina villages in East Jebel Marra. Humanitarian agencies reported the arrival of 3,645 new IDPs from East Jebel Marra in Otash camp near Nyala town, the capital of South Darfur. Meanwhile, an unknown number of people reportedly went to hide in mountainous areas. It is also reported that fierce clashes between SAF and SLM-AW occurred in Glolo area in western Jebel Marra in Central Darfur State during the second week of June 2018, forcing thousands of civilians to flee their home villages. However, the onset of heavy rains forced the parties to stop the fighting. The rainy season will likely reduce the mobility of troops and military equipment and thus reduce the level of skirmishes in Jebel Marra.

Humanitarian assistance

In April 2018, WFP distributed 11,038 MT of assorted food commodities to 1.7 million beneficiaries in Sudan. WFP also made 184,770 USD in cash-based transfers in April 2018. The beneficiaries in April 2018 composed of 65 percent IDPs, 23 percent South Sudanese refugees, 11 percent residents in drought and conflict affected areas of Sudan and one percent of returnees. In North Darfur state which was among the areas most affected by poor performance of the rainy season last year, WFP assisted 97,000 drought-affected people in eight localities with in-kind food assistance of a half ration (the full ration is 2100 kcal per person per day). The arrival of 63,000 MT of USAID donated assorted food commodities food in June 2018, pushed the shortfall gap till August for cereal, pulses and oil.

The Strategic Reserve Corporation (SRC) of Sudan government distributed 317,085 MT of sorghum to government employees all over Sudan on a loan basis at SDG 325 per sack on average, which is about 60 percent of the average market price of sorghum in Sudan. About 43 percent of this amount was delivered in February 2018 and 57 percent delivered in May 2018. In addition, the SRC intervened in markets of drought affected areas since the beginning of year 2018 and sold about 52,560

MT of sorghum at SDG 450 – 500 per sack directly to consumers in markets of these areas. The SRC prices is relatively half the market prices. The states where SRC intervened in market supply of sorghum include North Darfur, Kassala, Red Sea, West Darfur and Central Darfur states.

Nutrition

World Vision International (WVI) carried out a targeted Mid-Upper Arm Circumference (MUAC) screening among new arrivals from East Jebel Marra in Marshang locality in May 2018. A total number of 156 children under five years of age were screened for malnutrition, out of whom nine (5 percent) children with severe acute malnutrition (SAM) and 17 (10 percent) children with moderate acute malnutrition (MAM) were identified and referred for treatment.

Assumptions

The most likely food security scenario for June 2018 through January 2019 is based on the following assumptions:

June to September rainfall

- Cumulative rainfall during the June to September 2018 rainy season in Sudan is expected to be above average tending to be average, based on international seasonal forecasts, and planting is expected to occur on time.
- Continuing fuel shortages and macro-economic challenges facing the country are likely to result in reduced area planted for 2018/19's agricultural season. FEWS NET assumes area planted in the 2018/19 agricultural season will be 20-30 percent lower than the recent five-year average. Area planted in the semi-mechanized sector is expected to be lower by 30-35 percent, while area planted in the irrigated and traditional sectors will likely be reduced by 20-25 percent and 15-20 percent compared to the recent five-year average, respectively.
- Despite the projected favorable weather conditions, reduced area planted and yields due to high cost of inputs will likely result in 2018/19 agricultural production 20-30 below the recent five-year average.
- Favorable performance of main season rainfall will improve availability of water and pasture for livestock consumption to seasonally normal levels. As a result, livestock body conditions and milk productivity will improve seasonally between June and January.
- Relatively improved security conditions and on time onset of rainfall will encourage more return of IDPs in Darfur. FEWS NET assume returns in 2018 return in Darfur, South Kordofan and Blue Nile will be higher than in recent years.
- Access to seasonal agricultural labor is likely to improve during the June to January cultivation season in Sudan. However, reduced area planted and high costs for inputs are likely to reduce the capacity of large-scale farmers to hire laborers typical levels of labor, and will result in below-average access to seasonal agricultural labor opportunities.
- Average to above-average rainfall in June to September 2018 is likely to trigger typical levels of flooding in flood-prone areas that could result in the destruction of crops, assets, displacement, loss of lives and increase susceptibility to water borne diseases.

Macroeconomic conditions

- Severe macroeconomic difficulties are expected to persist in Sudan through January 2019. For the purposes of this scenario, FEWS NET assumes a continued absence of subsidies for essential commodities, including wheat subsidies.
- Fuel availability is likely to remain below average during the scenario period, due to a lack of foreign currency to import fuel, leading to very high fuel prices and transport costs during the scenario period.
- Given likely reduction in agricultural production, staple food import needs will likely be greater than in atypical year. Given the shortage of foreign exchange available, it is likely Sudan will face a greater than normal staple food import gap.
- FEWS NET assume the local currency devaluation will continue during the scenario period in the same manner of recent months.

- The Government of Sudan will continue the policy of restriction of imports of luxury commodities and will increase import taxes. The latter will result in increased consumer prices for all commodities that will lead to increased cost of living.

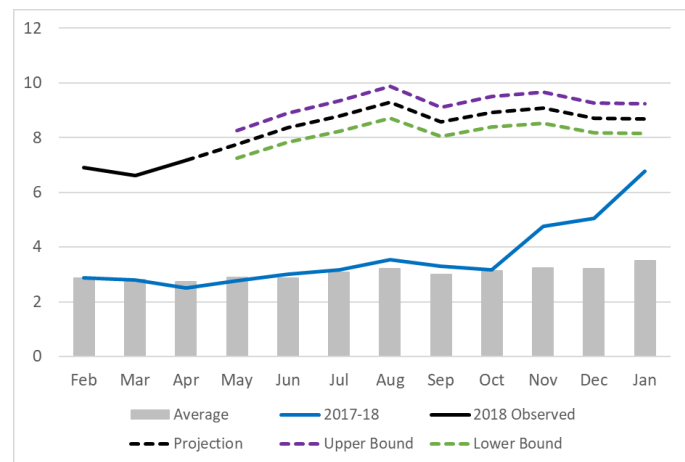
Livestock prices

- Typical favorable pasture and water conditions during June to September rainy season and typical increased demand for local consumption and for export to Saudi Arabia during Ramadan (May/June) and *Eid al Adha* (July/August) holidays are likely to maintain high livestock prices, before declining between September and January following the end of the Eid holidays. During the harvest, the availability of alternative income sources (e.g. sale of cash crops and seasonal agricultural labor) will reduce dependency on livestock sale as a source of income by pastoral and agro-pastoral communities of Sudan. Thus, FEWS NET assumes livestock prices will remain high during the scenario period.

Cereal prices

- Staple food prices will remain very high during the scenario period across most markets in Sudan. Sorghum prices will likely increase typically through the June to September peak lean season due to increased seasonal demand and high transportation cost induced by the prevailing fuel shortage and high cost of production. Millet prices are expected to continue to steadily increase during June to September lean season. Sorghum and millet will decrease typically by five to 10 percent by the arrival of the new harvest to markets in November/December 2018. Generally staple food prices during the scenario period will be 25 to 30 percent higher than of the same period last year and 140 to 150 percent higher than of last five-year average (Figure 3).

Figure 3. Integrated retail sorghum price projection, Gadaref market (SDG/kg)



Source: FAMIS data, FEWS NET projection

- Prices for locally produced wheat are likely to remain stable or slightly increase during the post-harvest period of wheat. While prices of imported wheat are likely to remain more than double compared to the same period last year and over 170 percent above the recent five-year average due to extremely high prices of imported wheat and wheat flour following the removal of wheat subsidies and high transportation cost.

Terms of trade

- Since staple food prices are projected to increase further during June to September 2018 lean season, Terms of Trade (ToT) between these sources of income and staple food prices are likely to continue to deteriorate during the lean season. FEWS NET assumes ToT between livestock/daily wage labor and cereal is likely to remain more than 50 percent lower than during the same period last year and the five-year average. Agricultural labor opportunities and wages are expected to start seasonal increases by the start of June to September 2018 rainy season. Agricultural daily wage labor opportunities are likely to decline following completion of the harvest in February 2019, when households will begin to shift to non-agricultural labor.

Security, conflict and displacement

- The decreased pattern of conflict and new displacement since the beginning of year 2017 as a result of unilateral declaration of ceasefire by conflicting parties in South Kordofan, Blue Nile and Darfur and due to collection of illegal arms likely to be maintained during the scenario period. The exception is Jebel Marra area in Darfur, where fighting between SAF and SLM-AW likely to continue forcing civilians to flee their home villages and seek refuge in existing IDP camps. Even though the skirmishes in Jebel Marra are likely to reduce during the June to September rainy season as rains will block roads and constrain movement of troops and equipment.
- FEWS NET assumes the relatively decreased clashes between conflicting parties in South Kordofan, Blue Nile and Darfur will encourage return of IDPs from existing camps and refugees from neighboring countries. It is estimated the wave of

return in year 2018 will be higher than in 2017 and the seasonal return for cultivation in Darfur during the scenario period is likely to be higher than of last year.

- Sporadic fighting in Jebel Marra, some parts of Blue Nile and South Kordofan are likely to result in new displacement, but lower than levels of new displacement recorded on recent years.

Most likely food security outcomes

The June 2018 to January 2019 outlook period includes the peak of the lean season between June and September, followed by the October to January harvest period. The protracted conflict in Jebel Marra in South and Central Darfur states and in South Kordofan and Blue Nile states since 2011 has disrupted access to main livelihood activities, function of markets, eroded households’ livelihood asset holdings and limited households’ access to income earning opportunities in these areas. Meanwhile, the persistent sharp increase of staple food prices has reduced the ability of poor households and protracted IDPs to access food through market purchase, especially during the June to September peak lean season when cereal prices will highest. The persistent macroeconomic challenges in the form of high inflation and local currency devaluation have resulted in reduced purchasing power for many households in Sudan, particularly poor households. Approximately 20-30 percent of IDPs and poor households in SPLM-N controlled areas are likely to face significant food consumption gaps between June and September 2018 and will be in Emergency (IPC Phase 4). Recently displaced IDPs in Jebel Marra are likely to be in Emergency (IPC Phase 4), while households areas of North Darfur and Kassala affected by severe dryness during 2017, and refugees from South Sudan, are likely to be in in Crisis (IPC Phase 3) between June and September 2018. The deteriorating macroeconomic conditions will continue to erode the purchasing power of many households and increase the number of food insecure people to above-average levels during the first half of the scenario period.

Typically, food security outcomes improve between October and January, households benefit from access to food through own harvest, seasonal declines of staple food prices, and improved access to income from the sale of cash crops and/or seasonal agricultural labor during October to January harvest period. Food security outcomes for IDPs and poor households in SPLM-N controlled areas will improve from Emergency (IPC Phase 4) to Crisis (IPC Phase 3), as will outcomes for new IDPs in Jebel Marra. Food security outcomes for many populations affected by severe dryness in 2017 will improve from Crisis (IPC Phase 3) to Stressed (IPC Phase 2) and Minimal (IPC Phase 1). However, staple food prices are likely to remain very high even into the harvest period. The number of people facing Crisis (IPC Phase 3) levels of food insecurity during the second half of the scenario period will reduce compared to the peak lean season, but likely to be higher than last year and average of recent years due high staple food prices and lower than normal purchasing power.

AREAS OF CONCERN

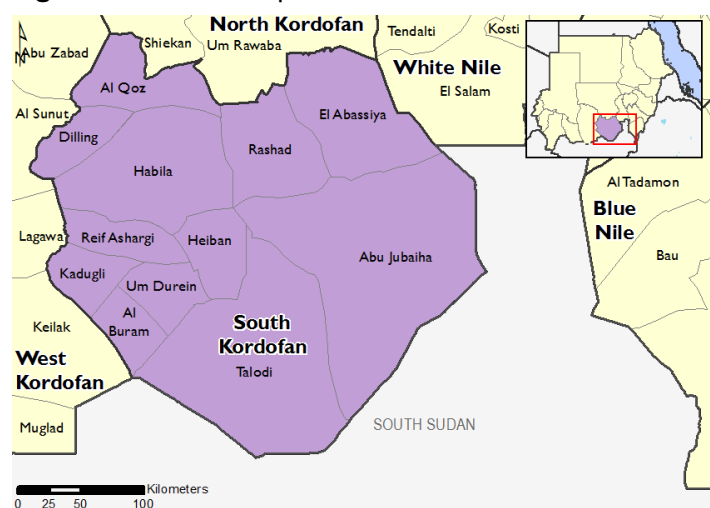
IDPs in SPLM-N-controlled areas of South Kordofan State (Figure 4)

Current situation

Approximately 145,000 to 160,000 people are internally displaced in SPLM-N controlled areas of South Kordofan, including in Haiban, Buram, and Um Dorain localities and some parts of El Reifalshargi. Al Dalanj, Kadugli, Taludi, and Lagawa localities. Most of these populations have been displaced since 2011/12.

Most parts of South Kordofan have received adequate rainfall for planting since the second half of May 2018. Area planted so far is estimated to be near the levels that have been normal since 2013, which are significantly lower than levels cultivated prior to significant displacement and increases in insecurity. IDP households’ ability to plant is constrained by reduced access to land, lack of inputs, and restricted population movements.

Figure 4. Reference map, South Kordofan State



Source: FEWS NET

Based on the South Kordofan and Blue Nile Coordination Unit (SKBNCU) update from April 2018, approximately 5,900 people fled SPLM-N controlled areas of South Kordofan; 3,000 people from Buram, 2,000 people from Um Dorain, and 900 people from Heiban have fled to Ajuong Thok and Pamir refugee camps in northern Unity State of South Sudan since the beginning of 2018, which is approximately double the number that fled during the same period last year. The SKBNCU cited food insecurity as among the key drivers causing recent population movement from SPLM-N controlled areas of South Kordofan to refugee camps in South Sudan.

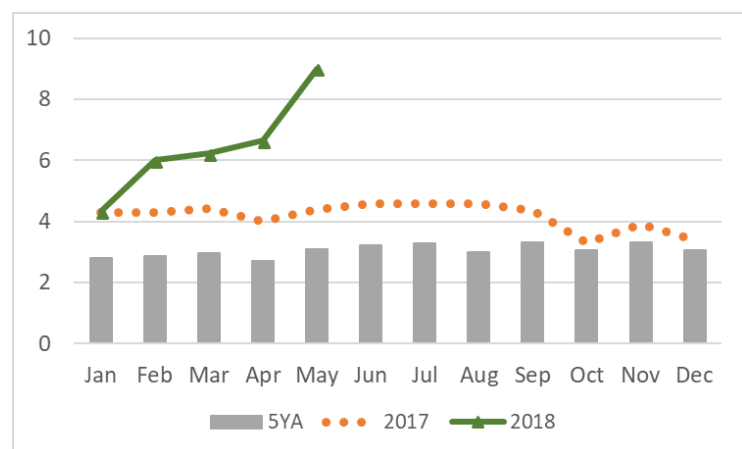
Since the beginning of 2017, the security situation has remained relatively calm across most SPLM-N-controlled areas of South Kordofan. No direct fighting between SPLM-N and Sudan Armed Forces (SAF) has been reported in the area since the declaration of the unilateral ceasefire in January 2017. Nevertheless, access by humanitarian actors to SPLM-N controlled areas, population movement, access to livelihood activities, and trade flows into the area remain restricted.

According to the food balance sheet of the annual crop and supply assessment mission (CFSAM) of 2017/18, South Kordofan state produced 483,399 MT of cereals, which exceeds state-level consumption needs by 130,135 MT. Available information from SPLM-N controlled areas suggested relatively better production this year compared to previous years due to the above-average rain and relative stability of security situation. However, information from the area indicated households' level of production and overall production in SPLM-N-controlled areas is far below than that of government areas due to lack of inputs, restriction of free movements, and high risk of insecurity associated with access to farms for cultivation.

Cereal prices continued to increase, although higher than usual, between March and April 2018. Retail sorghum prices in Kadugli market in April 2018 were 8 percent higher than of the previous month, 67 percent higher than in April 2017, and more than double of the five-year average (Figure 5). Sorghum prices increased by 20 percent in Dellami locality in April compared to last month.

Persistent fuel shortages have further constrained trade between GoS-controlled areas and SPLM-N-controlled areas. The SKBNCU reported the price of diesel in April 2018 reached 75 SDG per liter, while the price of petrol is SDG 125 per liter. This is more than ten times the official government fuel price in government-controlled areas, and three times the black market price in government-controlled areas.

Figure 5. Nominal sorghum prices, Kadugli market, South Kordofan State (SDG/kg)



Source: FEWS NET/FAMIS

WFP’s Food Security Monitoring System (FSMS) Report in November 2017 stated that in government-controlled areas of South Kordofan state, over 20 percent of populations surveyed in Dellami, Alreefshargi, Talodi, Rashad, and Abu Karshola localities have poor or borderline food consumption (FC). Food consumption in SPLM-N controlled areas is expected to be worse than in government-controlled areas due to reduced access to cultivation and higher food prices in SPLM-N controlled areas. Due to prolonged displacement, restricted population movements and trade flows, high loss of animals and other assets, most IDP households in SPLM-N controlled areas of South Kordofan have resorted to various coping strategies that wild food consumption, limiting meal size, and reducing meal frequency, alongside begging.

Assumptions

In addition to the national-level assumptions described above, the following area-level assumptions have been used to develop the most-likely scenario for IDPs in SPLM-N areas of South Kordofan for June 2018 through January 2019:

- No major incidents of direct fighting between conflicting parties is expected, although insecurity and tension between GoS and SPLM-N as well as between SPLM-N disputing factions is likely to persist. The onset of June to September rainy season is likely to further reduce troop mobility and lead to reduced fighting in the area.
- In SPLM-N controlled areas, cereal prices are likely to remain extremely high and more than three times those in GoS areas during the entire scenario period.

- Prices of non-cereal and other essential non-food items are expected to remain at extremely high levels during the scenario period due to restricted trade flows from government-controlled areas to SPLM-N areas and already high prices resulting from the devaluation of the Sudanese Pound (SDG) and high transportation cost induced by fuel shortages in Sudan.
- The June to September main rainy season in South Kordofan state is expected to be above-average in terms of total cumulative rainfall. Timely harvests should start improving access to own production and in-kind host community assistance starting in October/November 2018.
- Having projected timely and above-average rainfall forecast in South Kordofan, IDPs are likely to have access to average levels of wild foods and above-average access to harvests from *Jubraka* (house yard farm) by IDPs in SPLM-N controlled areas starting in September/October 2018.
- Humanitarian access to SPLM-N areas is anticipated to remain restricted and no humanitarian assistance is likely to be delivered during the scenario period.
- Flows of South Sudanese refugees to bordering areas in South Kordofan, including some parts of SPLM-N areas, is likely to continue during the scenario period, thereby increasing the population of those in need.

Most likely food security outcomes

June to September 2018 is the typical lean season in agricultural areas of Sudan, when access to food and income is at its lowest levels as households’ food stock from own production, in-kind payment, and wild foods become depleted and cereal prices peak during this period. Given, the reduced asset holding by IDP households’ in SPLM-N controlled areas of South Kordofan and the limited purchasing power resulting, in part, from the projected sharp increases in cereal and non-cereal food items during the first half of the scenario period, most IDP households’ access to basic food items as well as diet diversity will further deteriorate. Therefore, about 30 to 40 percent of IDPs in SPLM-N controlled areas will face extreme food consumption deficit during the first half of the scenario period and will face Emergency (IPC Phase 4) levels of acute food insecurity.

Household access to food is likely to improve with the start of harvests in October and increase access to wild foods and in-kind assistance from the host community. However, most IDPs in SPLM-N-controlled areas, lack of humanitarian assistance and the projected high prices of staple and non-staples induced by the macro-economic changes, about 20 – 25 percent of IDPs in SPLM-N controlled areas will face moderate food consumption deficit during the second half of the scenario period and will face Crisis (IPC Phase 3) levels of acute food insecurity.

Eastern Pastoral Livelihood Zone (SD-03), Hamashkoraib and Talkok localities, Kassala state (Figure 6)

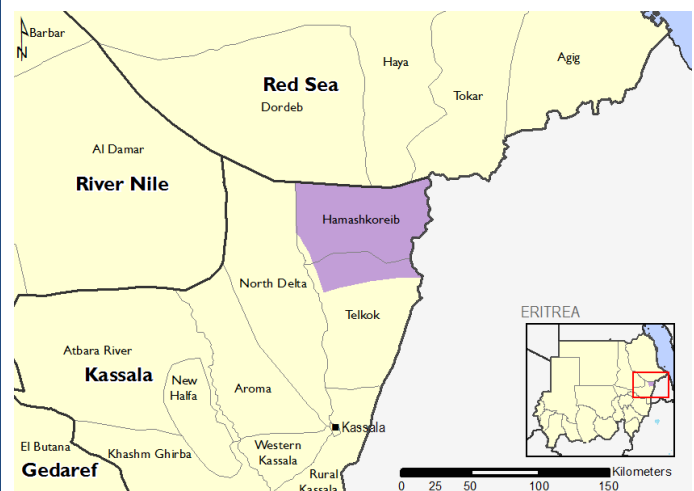
Hamashkoraib and Talkok localities of Kassala state are mainly located within the Eastern Pastoral Livelihood Zone of Eastern Sudan. The zone has rainfall of less than 150 mm per year on average and the associated arid ecology is insufficient to support significant rain-fed agriculture or even transhumant cattle. Rather, the rugged environment is suitable for grazing goats and sheep, together with some camels.

Current Situation

2018/19 agricultural seasonal

Sporadic early rainfall was recorded in some northern and central areas of Kassala state. Land preparation for the summer cropping season has begun in the irrigated and rain-fed sectors and rehabilitation of irrigation canals in Gash irrigated scheme areas continued during June 2018. In addition, the State Ministry of Agriculture has started to distribute gasoline to farmers in the

Figure 6. Reference map, Eastern Pastoral Livelihood Zone (SD-03), Hamashkoraib and Talkok localities, Kassala State



Source: FEWS NET

mechanized rain-fed sector, as gasoline is crucial input during land preparation plowing and sowing practices in the mechanized rain-fed sector.

Pasture and livestock conditions

As of June 2018, pasture conditions remain extremely poor in Hamshkoraib and Talkok localities, following very poor performance of the two previous rainy seasons that failed to regenerate pasture and water sources and led to widespread crop failure in the nearby agricultural producing areas. Starting in mid-2017, most pastoralists from the area began depending on farm residues, produced fodder and sorghum to feed milking animals kept in residential areas, which led to increased concentrations of animals in the summer season grazing areas. With the added pressure on resources in these areas, fodder prices are more than double their October 2017 levels and 200 to 300 percent above prices in June 2017.

Poor availability and the high cost of trucking water to animals in some of the summer season grazing areas has been exacerbated by the ongoing fuel shortage in Sudan. The cost of watering animals has increased more than 300 percent compared to the same period last year. Deteriorating livestock body conditions, increased animal diseases, and above normal death of animals have reported in Hamashkoraib and Talkok.

Staple food prices

Cereal prices in Kassala market (the main area of supply to Hamashkoraib and Talkok) continued to rise atypically quickly into May 2018. Between April and May 2018, sorghum prices increased by 15 percent and reached over 230 percent above prices in May 2017, and over 240 percent above the recent five-year average. This price increase was mainly attributed to the sharp increase in transportation costs resulting from fuel shortages since March 2018, which has been exacerbated by the seasonal increase in demand for local consumption of cereals.

Goat and sheep prices in Kassala remained relatively stable between April and May, following 35 to 40 percent increases between March and April. This increase is mainly due to observed increase in exports to Saudi Arabia, which coincided with increased cost of transportation of animals to main markets. Current goat and sheep prices are on average 80 percent above May 2017 prices and 145 percent above the five-year average.

Despite recent slight improvements, Terms of Trade (ToT) between livestock and sorghum in Kassala market continued to be in favor of sorghum producers between April and May 2018. Goats to sorghum ToT decreased 11 percent between April and May 2018, decreasing from 104.4 Kg in April to 93.3 Kg of sorghum per head of goat, as result of a 15 percent increase in sorghum price, while goat prices increased by only two percent between April and May. May 2018 goat-to-sorghum ToT remained 51 percent and 42 percent lower than last year and the five-year average, respectively. ToT between daily wage labor and sorghum dropped 13 percent between April and May 2018, dropping from 17 Kg in April to 15 Kg of Sorghum in May as result of a 15 percent increase in sorghum price while labor wages remained stable.

According to the State Ministry of Health, the admission of malnourished children at the Community Management of Acute Malnutrition (CMAM) Program centers increased by 18 percent between April 2017 and April 2018, according to the State Ministry of Health.

Assumptions

In addition to the national-level assumptions described above, the following area-level assumptions are used to develop the most-likely scenario for Eastern Pastoral Livelihood Zone (SD-03) in Hamashkoraib and Talkok localities in Kassala State between June 2018 and January 2019:

- Cereal prices are likely to increase more rapidly than usual during the June to September lean season and prices will remain at extremely high levels due to high prices in main areas of supply in the surplus-producing areas, high transportation costs and high demand. Prices in Hamashkoraib and Talkok will remain more than 20 percent higher than in Kassala market, which is already 190 percent above their 2017 levels and more than 200 percent above the recent five-year average.
- Pasture availability will likely begin to improve starting in July with the onset of rains, reaching their peak levels in September 2018, before beginning to deteriorate between October and January.

- Current fuel shortages are likely to continue the negative impact on prices of food and non-food items at least through the first half of the scenario period.
- Poor animal conditions are expected to persist through July and to start to improve with the expected improvement of pasture during the rainy season by August through January 2019. Hence, availability and access to milk by poor groups in the area is likely to improve between August and January.
- Below-average terms of trade are likely to persist during the first half of the scenario period, leading households having to sell more animals than usual to maintain the remaining herd at a higher cost. The situation will likely slightly improve during the second half as cereal prices are anticipated to seasonably decline while livestock prices are expected to increase.
- No major humanitarian assistance is planned and expected to be delivered during the outlook period.

Most likely food security outcomes

Poor households in Hamashkoraib and Talkok are likely to continue to face moderate food consumption gaps between June and September 2018, which is mainly due to the extremely high prices of cereal and non-cereal food items and low levels of income, with poor households typically getting more than 70 percent of their household food requirements through market purchase. Access to milk will also remain very limited due to poor households’ small herds and poor animal conditions during the period. Poor households are expected to maximize sales of small ruminants to maintain cash income and food adequate for their households’ survival. Poor households in Hamashkoraib and Talkok will likely continue to face Crisis (IPC Phase 3) between June and September 2018. With the start of the June to September 2018 rainy season, access to milk and income from local labor is likely to improve. Cereal prices are also anticipated to stabilize or slightly decrease seasonably during the harvest period of October 2018 to January 2019, although prices of other essential non-cereal food items are expected to remain extremely high, with the continued high inflation and local currency depreciation. However, despite the expected improvement, poor households will face minimally adequate food consumption but only by engaging in unsustainable coping, and will remain in Crisis (IPC Phase 3) between June and September 2018.

Western Agropastoral Millet Livelihood Zone (SD-13), El Fasher Rural locality, North Darfur (Figure 7)

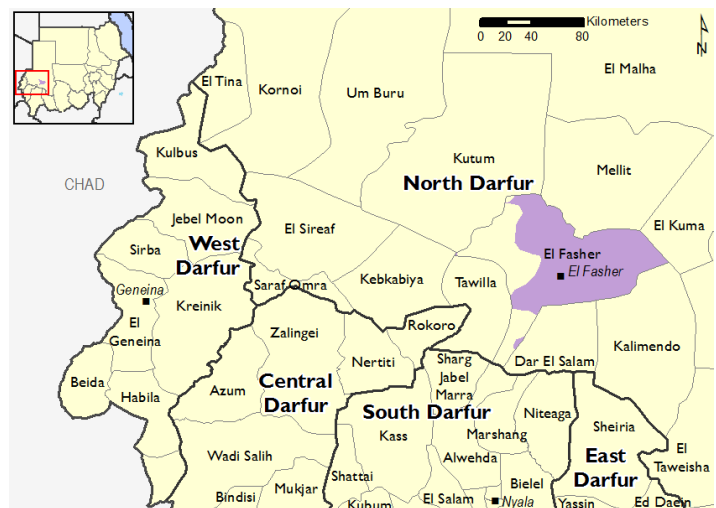
The Western Agropastoral Millet Livelihood Zone (SD-13) in El Fasher Rural locality is located in central North Darfur and is characterized by low annual rainfall of 100 to 150 mm between June and September. Most inhabitants in SD-13 are agro-pastoral communities whose livelihoods depend on cultivation of rainfed millet, supplemented by limited holdings of small ruminants. El Fasher Rural is known for its low productivity and low production in a typical year.

Current situation

2018/19 agricultural season

Land preparation for the 2018/19 main agricultural season continues in the dominant traditional rain-fed sector of North Darfur, following sporadic early-than-usual average rainfall reported in June in the eastern and central parts including El Fasher Rural. Early sowing has been reported in Um Keddada locality.

Figure 7. Reference map, Western Agropastoral Millet Livelihood Zone (SD-13), El Fasher Rural locality, North Darfur



Staple food prices, livestock prices, and terms of trade

Prices for millet (the main staple in this area) in the main market of El Fasher town have continued to increase more quickly than usual, following the trend observed since January. Between April and May 2018, millet prices increased by 17 percent,

following a 22 percent increase between March and April. Meanwhile, sorghum (the second most important staple) prices increased 50 percent between April and May, following a 25 percent decrease between March and April that was the result of an intervention by the Strategic Grain Reserve to make subsidized sorghum available in markets. May 2018 millet prices in El Fasher market were 178 percent higher than in May 2017, and almost three times higher than the recent five-year average. Similarly, sorghum prices are 116 percent and 160 percent higher than in May 2017 and the recent five-year average, respectively. These price increases are driven principally by changes in the macroeconomy driven by the significant increases in fuel costs, coupled with poor production last year resulting in increased demand in local markets.

Livestock prices in El Fasher market have increased slightly during the last three months, including a five percent increase between April and May for sheep, and a 17 percent increase between April and May for goats. This was mainly linked to increased export demand in addition to the overall impact of the recent macroeconomic changes. However, increases in livestock prices during this period are relatively low compared to level of increases observed for other food and non-food items, which is mainly due to the increased supply in markets resulting from households' need to sell more animals than normal to pay for food and non-food expenses, which are now more expensive than usual.

Following sharp decreases since the beginning of 2018, terms of trade (ToT) between livestock and sorghum in El Fasher have started to recover slowly in favor of livestock producers, in line with the relative improvement in livestock prices during March and April. However, goats-to-sorghum TOT decreased by 17 percent between April and May 2018 as result of 40 percent increase in sorghum price compared to 16 percent increase in goat prices. Current levels of goat to sorghum TOT in El Fasher are 11 percent below their May 2017 levels and five percent below the recent three-year average.

Income from agricultural labor for land preparation and sowing activities remains very limited during May 2018, as agricultural practices have not fully gotten underway. This is due to more farmer's family members from poor households concentrating on other non-agricultural income generating activities to secure the funds required to cover basic household food and non-food expenditure needs.

Assumptions

In addition to the national-level assumptions described above, the following area-level assumptions are used to develop the most-likely scenario for Western Agropastoral Millet Livelihood Zone (SD-13), El Fasher Rural locality for June 2018 through January 2019:

- Cereal prices are likely to continue increasing rapidly between June to September, and become stable at well above-average levels, following harvests between November 2018 and January 2019.
- Livestock prices are likely to slightly increase seasonably due to the high demand for the Eid holidays as well as expected improvements in pasture and water, and to decline following the conclusion of Eid.
- Goat-to-cereal and labor-to-cereal ToT are likely to remain in favor of cereal producers during the peak lean season between June and September 2018 and will be 10 to 15 percent below normal for both laborer and livestock owners. The situation will likely improve to normal during pre-harvest and harvest period of October to January.
- A shortage of seeds and other agricultural inputs during June to September 2018 rainy season is expected to result in below normal area planted mainly for poor groups in the area.

Most likely food security outcomes

Food access for poor households in El Fasher Rural is expected to remain below normal during the lean season between June and September 2018, mainly due to reduced access to food from own production and in-kind payments as result of the poor production of last season, reduced access to market purchases due to extremely high prices of cereal, limited purchasing power and reduced availability of wild foods. Poor households will increase working as laborers and increase sales of small ruminants between June and September 2018. Poor households will mostly likely obtain cash for food requirements through the sale of small ruminants during lean season through September 2018, although this is likely to exhaust ownership of small ruminants for some poor households. Accordingly, food security for poor households in El Fasher Rural is likely to remain at Crisis (IPC Phase 3) from June to September 2018. Food security is likely to improve during the pre-harvest and harvest period of October to January 2019, as access to own production and in-kind payments are expected to start to improve by availability

of early maturing crops by October 2018 through harvest period in January 2019. Nevertheless, poor households in El Fasher are likely to continue to face food limited access to market purchases due to high prices and limited purchasing power and are likely to be Stressed (IPC Phase 2) between October 2018 to January 2019.

EVENTS THAT MIGHT CHANGE THE OUTLOOK

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

Area	Event	Impact on food security outcomes
Kassala state and North Darfur	Poor performance of the upcoming rainy season.	Poor performance of the upcoming 2018/19 agricultural season and higher than anticipated increase in cereal prices will lead to rapid deterioration in food consumption and livelihoods of poor groups and might lead to earlier occurrence of Crisis (IPC Phase 3) level of food insecurity from June to September and likely to persist in October to January 2019.
Semi-mechanized zones in Gadarif, Blue Nile, Sennar, White Nile, Kassala, South Kordofan and West Kordofan. In addition to irrigated sectors in Central Sudan	The fuel shortage is short-lived and sufficient fuel becomes available to farmers during the June to July 2018 planting season and November 2018 to January 2019 harvesting period.	Fuel availability will lead to cultivation of normal areas in the semi-mechanized sector of Sudan. Since average to above-average rainfall is forecasted this year, the harvest of 2018/19 agricultural season will be average to above average.
Semi-mechanized farmers in East and Central Sudan	Access to cash from banks is improved and farmers have access to enough cash to pay seasonal laborers.	Farmers will cultivate typical/normal areas of crops leading to average harvest of crops this year.
National	Short-lived fuel Shortage	Transportation cost will decrease and reduce food prices proportionally.
Jebel Marra area	Declaration of ceasefire in Jebel Marra	Improved humanitarian access to conflict displaced populations in Jebel Marra and improved access to markets and cultivation during the rainy season; improving food security outcomes likely in Jebel Marra.

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.](#)