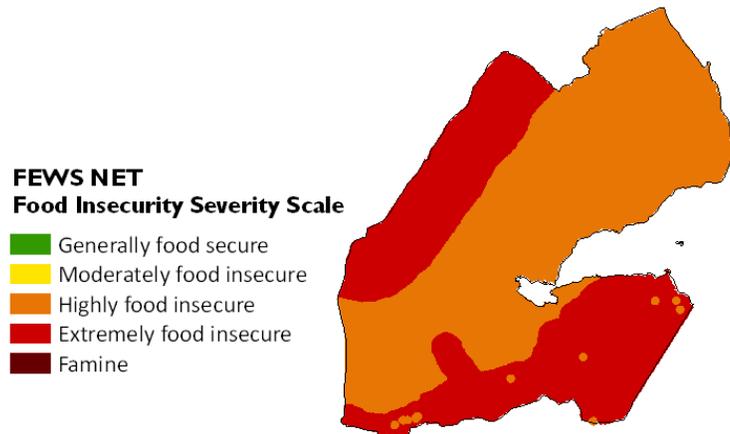


DJIBOUTI Food Security Outlook

October 2008 to March 2009

- The situation in Djibouti remains critical due to consecutive poor rains, high staple food prices since November 2007, high levels of livestock mortality, and conflict. As a result, levels of malnutrition likely remain above emergency levels, drinking water is scarce and poor households have begun skipping meals. In addition to the need for both food and non-food aid through March 2009, resources for nutritional surveys are critically needed.
- In the most likely scenario the October-February rains will be normal, but will be insufficient for the regeneration of pasture and browse. Therefore pastoralist areas will remain highly to extremely food insecure. However, this food insecurity will be mitigated by some declines in food prices and ongoing and improved humanitarian assistance.

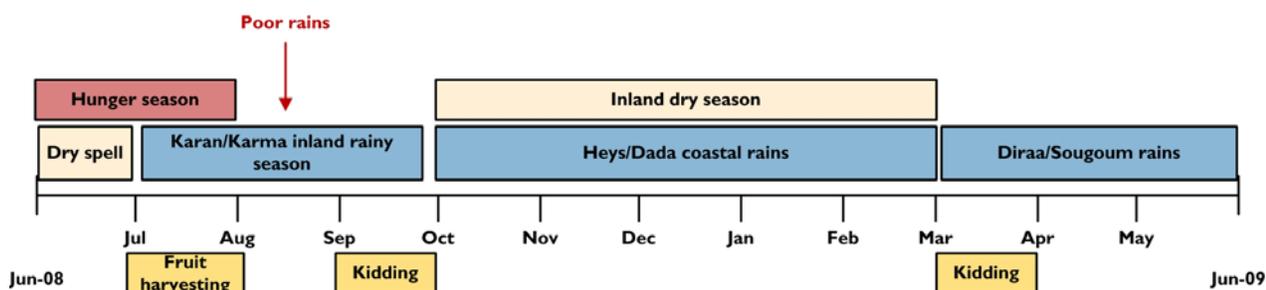
Figure 1. Current estimated food security conditions



Source: FEWS NET Djibouti
For more information on FEWS NET's Food Insecurity Severity Scale, please see: www.fews.net/FoodInsecurityScale

- In the worst-case scenario, the October to February will fail, leading to further increases in livestock mortality and destitution among poor pastoral households. The prices of staple foods will continue to increase and unemployment will remain high, further limiting the purchasing power of poor urban households. As a result, the number of households facing extreme food insecurity will increase.

Seasonal calendar and critical events



Current food security conditions

Though some showers were observed during the first dekad of September, the food security situation is critical in most pastoral areas due to below-average rainfall over the last year. Limited improvement is expected following the recent rainfall because so many animals have already died (livestock mortality rates of roughly 50-70 percent have been reported) and because those which remain are too weak to travel the long distances to markets. Water supplies remain extremely limited and in some cases, available water is not fit for human consumption. As a result of these conditions food access by

poor households in most pastoral areas is very limited, especially in the northwest pastoral livelihood zone (From Dadato in Obock District to Doudouya in Dikhil District) and the southeast pastoral livelihood zone (including coastal grazing areas in Arta, all of Alisabieh District, and western parts of Dikhil District). In response to rising food insecurity, rural exodus to urban areas is increasingly reported as pastoral families facing asset depletion and destitution migrate in search of casual labor employment in cities. Thus far, migrating households have concentrated in Djibouti city, Assamo and Sankal although no employment is available in these areas for migrants.

In urban areas, poor households also face a critical food security situation. Poor urban households normally receive about one quarter of their daily food needs as gifts from neighbors and/or relatives. But, this assistance is decreasing, as the effects of inflation undermine the purchasing power of the middle class, the principal donor to poor households in urban areas. In addition, the cost of the minimum expenditure basket is currently 66 percent above the five-year average. As a result of this combination of reduced gifts and high prices, households have only been able to meet 83 percent of their food needs for the past two months and have begun skipping meals.

In late 2007, a nationally representative nutrition survey, conducted by UNICEF and the Ministry of Health, found very high levels of acute malnutrition across the country. Overall, 16.5 percent (14.8-18.1 C.I.) of children less than five years old were wasted, 2.0 percent (1.5-2.5 C.I.) severely. Severe acute malnutrition was most severe in the northwest and southeast pastoral livelihood zones and in Djibouti City. While no subsequent nutrition surveys have been conducted in Djibouti, the continuation of poor climatic conditions and high food prices suggest that conditions are unlikely to have improved. Additional funding is critically needed to implement additional nutrition surveys. At a minimum, surveys should be conducted in the northwest and southeast pastoral livelihood zones and in Djibouti City and should collect information on morbidity, mortality and anthropometry.

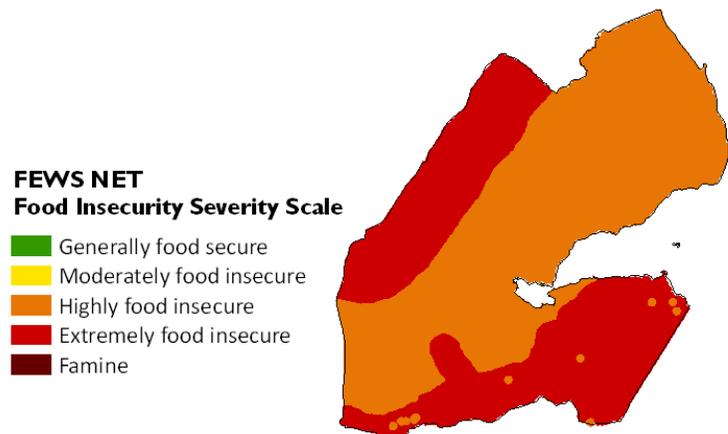
Most-likely food security scenario, October-December 2008

In the most likely scenario, some marginal improvements to the food security situation are expected during October-December 2008. Animals, particularly goats, will give birth, and milk production may improve slightly compared to last season when most female goats failed to carry their pregnancies to term. Below-average rainfall will lead to slight improvements in pasture and browse. Water availability will also increase, though the water quality will be poor and not fit for human consumption.

Though international oil prices have declined over the last month, staple food prices remain high and casual labor opportunities are unlikely to increase. Therefore, no broad improvements are expected during this quarter in terms of food access for the rural and urban poor. School feeding programs began in October and will improve the food access of children living in rural areas.

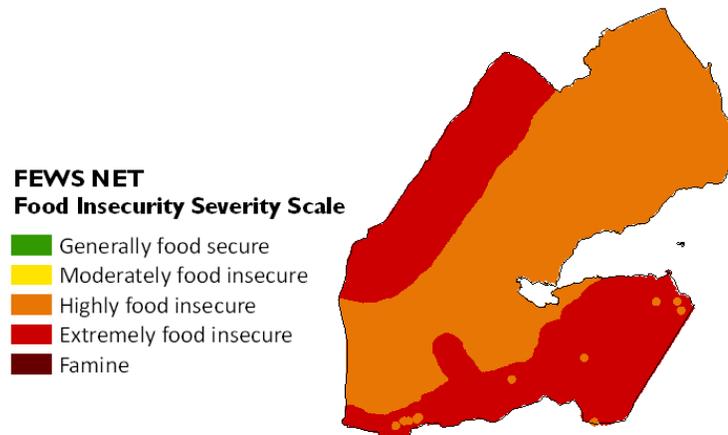
Poor pastoralist households and the urban poor will require continuous emergency food and/or non food assistance through at least the end of

Figure 2. Estimated most-likely food security conditions, first quarter 2009 (Oct to Dec)



Source: FEWS NET Djibouti

Figure 3. Estimated most-likely food security conditions, first quarter 2009 (Jan to March)



Source: FEWS NET Djibouti

December. Breaks in the food aid pipeline are expected to be resolved and WFP will increase its beneficiary numbers during this period. Several large donors have already provided a significant food and non food aid. USAID alone has given approximately 2.3 million dollars worth of food aid and 500,000 dollars for nutrition interventions. Further increases in humanitarian aid are expected to occur during this quarter.

Most-likely food security scenario, January-March 2009

In the first quarter of the year 2009, food security will be largely determined by the performance of the October to February *Heys/Dada* rains. These rains normally occur in the coastal belt of Djibouti, Arta, Obock and Tadjourah, and they are particularly important for coastal grazing areas. The rains typically start at the beginning of October and the current forecast for the season indicates normal to below-normal rains. In the most-likely scenario normal rains will lead to a slight improvement in water and pasture conditions, supporting some improvement in livestock prices. But overall, pastoral grazing areas will not improve significantly in terms of natural resource availability (pasture, browse, and water) because while the rains will be normal, they will be below the threshold for pasture and browse regeneration. Therefore, the rains will not have immediate impact on the food security of livestock-dependant households, and their food security and nutritional status will continue to deteriorate.

In urban areas, the cost of the minimum expenditure basket will remain high, negatively impacting already stressed poor urban households. Meanwhile, the availability of casual labor opportunities will be typically low (unemployment is currently 60 percent) and wages will remain stagnant. As a result, the purchasing power of poor urban households will not improve. The cost of electricity is also expected to remain high, affecting the middle class and their ability to assist poor urban relatives. Family assistance, in the form of gifts, may decline further (by as much as one quarter), and combined with the high cost of food and low incomes, poor households are likely meet only 76 percent of their food needs in this scenario. This would exacerbate existing high levels of malnutrition.

However, ongoing food aid distributions will partially mitigate food deficits in rural areas, and UNICEF, together with WFP, is currently operating approximately 23 therapeutic and supplementary feeding centers in both urban and rural areas. The number of such centers may increase in the near future as the current capacity meets only 40 percent of estimated need (25,000 children under five years of age). UNICEF has also begun discussions with the Ministry of Health on ways to improve public awareness of the existence of these centers, particularly in urban areas. The WFP food aid pipeline is expected to be healthier than the previous quarter, as more pledges are received, particularly from USAID, the European Union, and United Nations agencies.

Worst-case food security scenario, October-December 2008

In the worst case scenario, poor performance or failure of the *Heys/Dada* rains will result in a livelihood crisis in coastal areas. Natural resources availability, including water and pasture, will deteriorate further and even higher levels of livestock mortality will be reported. Pre-famine indicators, like high malnutrition rates, rural exodus, decreased food access, reduced dietary diversity will spread from localized areas and occur across the country.

Also in this scenario, food prices and international oil prices will rise and renewed clashes between Djibouti and Eritrea over a disputed border will occur. This conflict will lead to increased insurance premiums for Djibouti-bound shipping which, in turn, will put additional upward pressure on food prices because such a large proportion of Djibouti's food needs are imported. As shipping declines, casual labor opportunities at the port, an important employment source, will also become

Table I: Scenario assumptions and indicators

Most-likely food security scenario

- *Heys/Dada* (October to February) rains are near normal
- Slight improvements in water, browse, and pasture availability
- Food prices increase stabilize at higher prices
- Availability of casual labor opportunities remains normal
- Food aid pipeline improves

Worst-case food security scenario

- Failure of *Heys/Dada* (October to February) rains
- Food prices increase further
- Below-normal availability of casual labor opportunities
- Pre-famine indicators such as severe malnutrition evident by January

more limited, constraining food access further for households which depend on port employment for income. Finally, humanitarian assistance will remain very limited and the food and non-food aid needs will not be met.

Worst-case food security scenario, January-March 2009

In the worst-case food security scenario, the October to February *Heys/Dada* rainy season will fail entirely, leading to no improvement in the availability of pasture and browse for livestock. Additionally, food and energy prices would increase beyond the levels anticipated in the most-likely scenario. High oil prices will affect maritime transport and the availability of construction materials, thereby causing a decrease in the availability of casual labor opportunities. As a result of these factors, a humanitarian and livelihood crisis would occur for poor households in both pastoral and urban areas. Market gardening areas are slightly better off in this scenario because a large portion of the population in these areas are pensioners (and thus receive income from both produce sales and from the government).

Failed *Heys/Dada* rains from October to February would compound the impacts of the poor rains in *karan/karma* 2008. Browse and pasture will become practically non-existent and water will become scarce. All water catchments are expected to become dry under this scenario. Massive livestock mortality will occur, leading to destitution for most households in pastoral areas. The northwest and southeast border pastoral households will remain extremely food insecure and will face a significant food deficit. Food access will deteriorate in pastoral areas as a result of limited milk production and a lack of animal sales. Unusual migration of animals will occur in search of pasture, browse, and water. Livestock in the southern part of the country will migrate to inland Ethiopia (Shiniile District), and those in the north will migrate to Ethiopia, if there are rains across the border. Remaining herds will concentrate at permanent water points and along the river banks. Pastoralist terms of trade will deteriorate due to a decline in animal body conditions and increasing prices. Five animals will be needed to buy a 50 kg bag of maize or sorghum, compared to two in more normal circumstances.

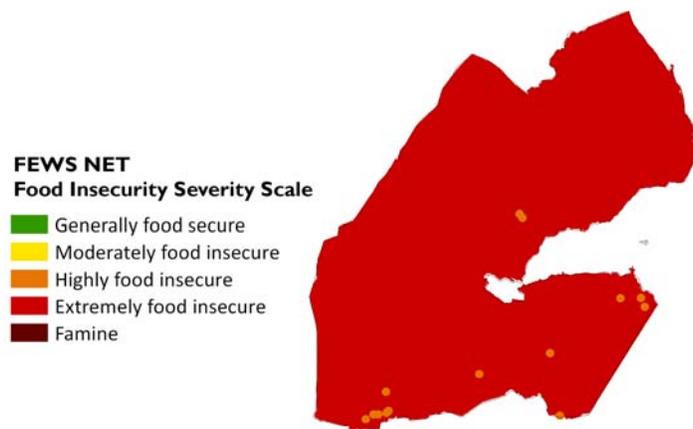
Most pastoralists will intensify alternative income-generating activities, such as charcoal and firewood production in the central livelihood zone and the exchange of salt and palm leaves for food in nearby Ethiopia markets by residents of Manda, Eldar, and Ashaita. However, this latter coping mechanism will be limited the poor body conditions of the camels used to transport the commodities to the markets. Some households may start buying supplementary animal feed for their dairy herds, and most poor households will send their children to urban relatives in the hope that conditions in urban areas are better. By January, traditional coping mechanisms will be exhausted and pre-famine indicators will become evident. Malnutrition rates will worsen significantly, likely leading to high levels of child mortality. Rural exodus is expected to increase, bringing more people to the city looking for casual labor employment and further assistance from family relatives in urban areas.

Figure 4. Estimated worst-case food security conditions, first quarter 2009 (Oct to Dec)



Source: FEWS NET Djibouti

Figure 5. Estimated worst-case food security conditions, first quarter 2009 (Jan to March)



Source: FEWS NET Djibouti

In urban areas, the high inflation rate, high food prices and limited casual labor opportunities will push poor households to the edge of extreme food insecurity and further undermine household resilience. Coping strategies will be exhausted. As in rural areas, malnutrition rates will increase and contribute to high child mortality. Recovery programs like income-generating activities and casual labor opportunities will be necessary to reduce the vulnerability of urban poor and poor pastoral households. In addition, existing micro-credit programs need to be intensified and properly targeted. Food and water aid, plus restocking programs, are required as well and need to be up scaled by November 2008.