Sudan Food Security Outlook | October 2014 to March 2015

Above-average harvests to increase food access, improving food security country-wide

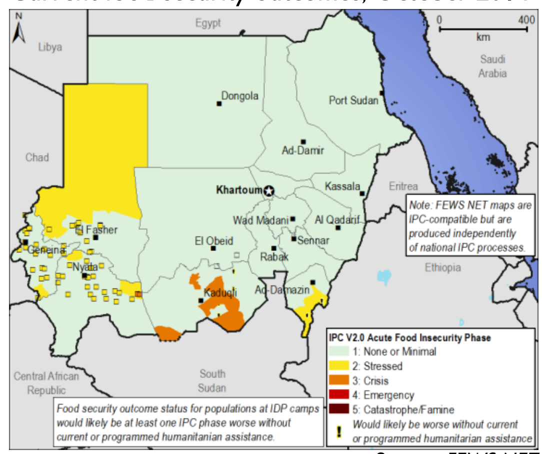
KEY MESSAGES

- Harvests in October improved food availability and access as well as income and purchasing power of poor households. Increased supplies of cereals to markets have put downward pressure on prices, although sorghum and millet prices remain well-above average. Insecurity and displacement limited improvements in food security in Darfur and South Kordofan, where acute food insecurity persists.

- An estimated 3.5 million people in Sudan face Stressed (IPC Phase 2!) and Crisis (IPC Phase 3) acute food insecurity. This represents a reduction in the size of the food insecure population by roughly one third since the peak of the lean season in September.

- Above-average 2014/15 harvests are expected across most of Sudan. Favorable rainfall performance, increased access to credit and high prices this year encouraged farmers to expand area planted. Especially in central and eastern surplus producing areas, area planted for sorghum crops increased by up to 20 percent. Above-average production will continue to improve consumption and ease food insecurity through the first quarter of next year.

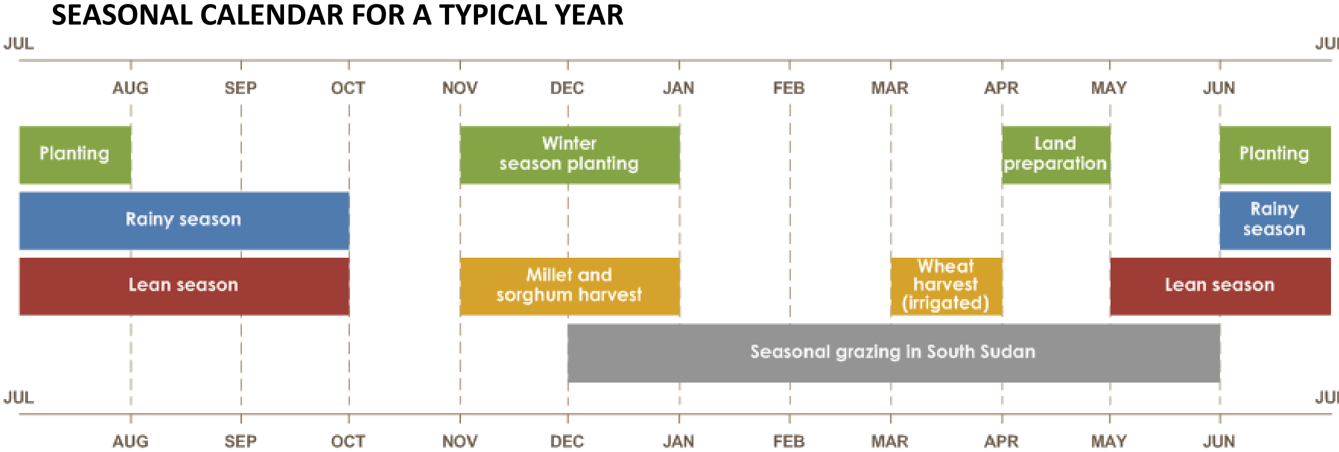
Current food security outcomes, October 2014



Source: *FEWS NET*

This map represents *acute* food insecurity outcomes relevant for emergency decision-making. It does not necessarily reflect *chronic* food insecurity. Visit www.fews.net/IPC for more on this scale.

SEASONAL CALENDAR FOR A TYPICAL YEAR



Source: *FEWS NET*

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NATIONAL OVERVIEW

Current Situation

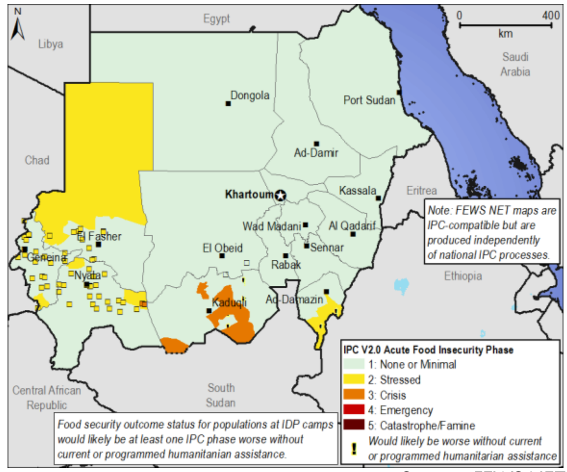
The size of the food insecure population reduced from 5.2 million during the peak lean season in September to 3.5 million people in October, the beginning of the harvest period. Improved household access to food from own production and increased income generation from agricultural labor and cash crop sales has eased food insecurity country-wide. Currently, an estimated 3.5 million people in Sudan face Stressed (IPC Phase 2!) and Crisis (IPC Phase 3) levels of acute food insecurity, of which, nearly 67 percent are the Internally Displaced People (IDPs) in Darfur, and 20 percent are IDPs in Sudanese People's Liberation Movement-North (SPLM-N) controlled areas of South Kordofan and Blue Nile states.

The onset of the rainy season in July has reduced hostilities between conflicting parties in South Kordofan, Blue Nile and Darfur from July to October. However, tensions remain high. Cattle raiding in Abu Karinka locality in East Darfur resulted in deadly tribal clashes between Ma'alia and Rezeighat tribes that displaced 15,000 - 20,000 people to Adila locality in August/September.

Cumulative June to October rains were average or above average in most parts of Sudan. Rainfall performance this season was better than expected, especially in the main surplus-producing areas of East and Central Sudan. The early onset of rains in June, equal distribution, and above-average cumulative rainfall enabled crop development in most of the country. Continued rainfall through October in northern parts of the country has also regenerated pasture and water resources for livestock in seasonal grazing areas.

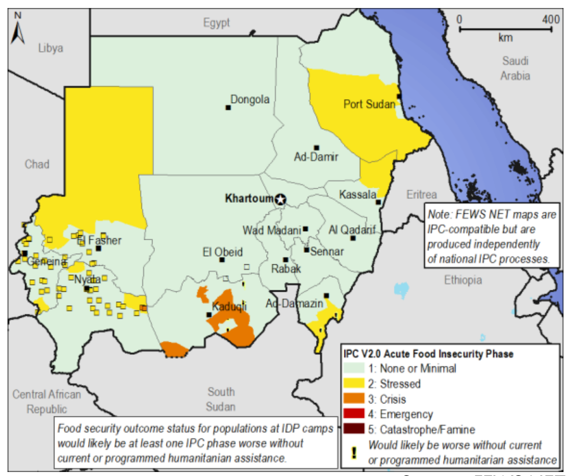
Farmers expanded area planted for the 2014/15 agricultural season for both food and cash crops. Good rainfall performance and high agricultural commodity price levels in 2014 encouraged farmers in central and eastern main production areas to increase cultivation. In these areas, area planted for sorghum increased by an estimated 20 percent compared to 2013 and 25 percent compared to the five-year average. Area planted for sesame increased by 77 and 35 percent compared to last year and the five-year average, respectively. Staple food and cash crop harvests are currently underway.

Projected food security outcomes, October to December 2014



Source: *FEWS NET*

Projected food security outcomes, January to March 2015



Source: *FEWS NET*

These maps represent *acute* food insecurity outcomes relevant for emergency decision-making, and do not necessarily reflect *chronic* food insecurity. Visit www.fews.net/IPC for more on this scale.

Despite seasonal decline in sorghum and millet prices, September price levels remained well above average in most markets. Sorghum prices in September were on average 87 percent higher than last year and 170 percent above five-year average. Millet prices were 95 and 135 percent higher than last year and the five-year average, respectively. A slight decline in millet prices, about 6 percent, was observed across reference markets from August to September. Sorghum prices followed mixed trends, declining in some markets (El Fasher, Nyala, and Gadaref) and increasing in others (Khartoum, Kadugli, and Damazin).

Agricultural wage labor to sorghum terms of trade (ToT) continued to improve in October (Figure 3). In Gadaref state, The ToT in September was 45 percent higher than August, principally due to 42 percent increase in labor wages driven by high labor demand for weeding and cropping activities. Despite this short-term improvement, current labor wage to sorghum ToT was 40 percent lower than the same period last year as the increase of sorghum prices between current and the respective period last year was greater than of labor wages. Sorghum prices in September were more than double of respective period last year.

Refugees from South Sudan continue to arrive in border areas. By mid-October, the total number of South Sudanese refugees in Sudan since last December surpassed 100,000 people. An estimated 20 percent are hosted by relatives in Khartoum. An estimated 65 percent of refugees have received food assistance from WFP, but funding gaps have limited humanitarian response capacity.

Assumptions

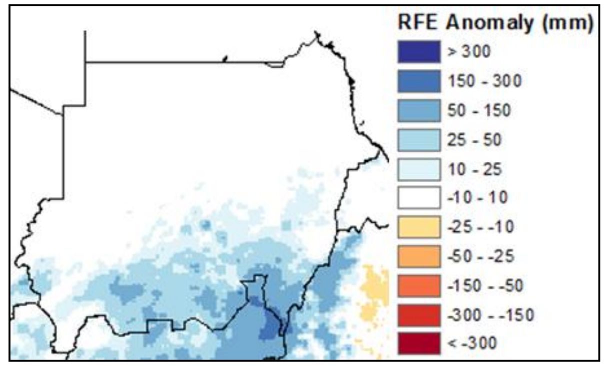
Above-average 2014/15 main season national production is expected due to increased area planted and above-average rainfall. Mid-season assessments suggest above-average harvests across all sectors including: in the semi-mechanized rain-fed and irrigated sectors (eastern and central Sudan), the traditional rain-fed sector, and the flood retreat sector (eastern Sudan). Average to below-average harvests are expected in conflict affected areas in Darfur, South Kordofan, Blue Nile and West Kordofan where conflict/insecurity and displacement reduced access to cultivation by IDPs and residents in conflict-affected areas.

Continued seasonal decline in cereal prices is expected during the harvest period, but price levels will remain well above average. Prices of sorghum and millet are expected to follow downward seasonal trends during the October to March harvest/ post-harvest period as supplies to markets increase and consumer demand decreases. Prices are expected to drop by 30 to 40 percent compared to last year. However, the significant increase in cost of production this year will prevent prices from stabilizing to levels consistent with the long-term average.

Sorghum, millet, and cash crop exports are expected to increase from January to March. Above-average export volumes of cash crops like groundnut, sesame, hibiscus, gum Arabic, cotton, watermelon seeds and sunflower through formal and informal trade is likely to ease the national budget deficit and external trade deficit. Despite incentives to export cereals to South Sudan, insecurity and conflict along the Unity and Upper Nile state borders is likely to discourage trade flows from Sudan to South Sudan.

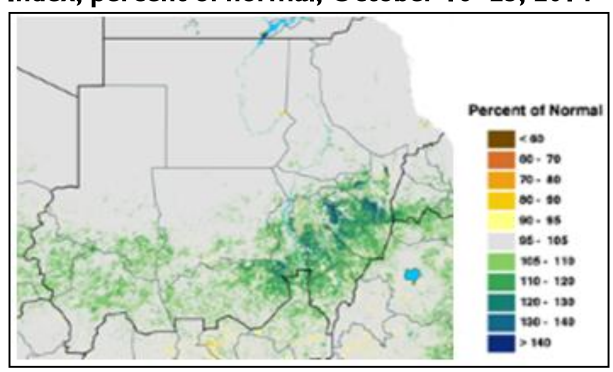
Harvests will improve availability and access to food. Harvests will improve access to food from own production for households in rural areas from October to March. Household food stocks from own production will likely be above-average due to above-average production. Declines in cereal prices will also increase access to food through market purchase from October to March.

Figure 1. Rainfall anomalies in millimeters October 1-10, 2014



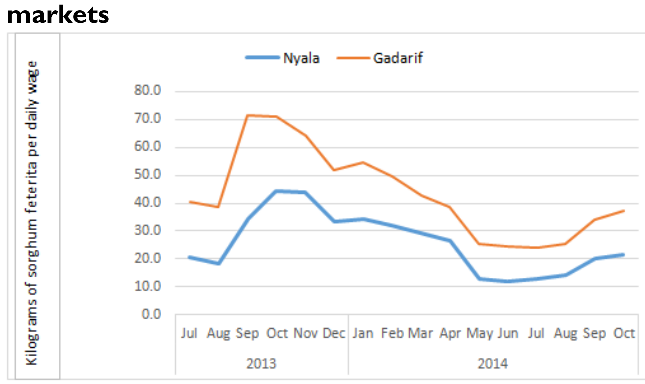
Source: FEWS NET/ USGS

Figure 2. Normalized Difference Vegetation Index, percent of normal, October 16 -25, 2014



Source: FEWS NET/ USGS

Figure 3: Daily wage labor/sorghum ToT in Selected markets



Source: FEWS NET/ FAMIS

Above-average 2014/15 harvests will improve availability and access to income from cash crop sales and seasonal agricultural labor. Above-average demand for seasonal labor is expected during the October to February harvest period. Agricultural labor wages are expected to remain 30-40 percent above last year.

By the onset of dry season in November, conflict between Sudan Armed Forces (SAF) and SPLM-N in South Kordofan and Blue Nile states will likely intensify. Conflict between SAF and Darfur rebel groups is also expected to escalate from November to March. Given persistent failure of peace agreements in these areas, improved road accessibility during the dry season will increase mobility of armed groups.

The influx of refugees from South Sudan is expected to continue. Given expectations that conflict will escalate in the Greater Upper Nile region of South Sudan, FEWS NET assumes that an additional 50,000-75,000 South Sudanese refugees will migrate to Sudan between October and March, increasing the size of the South Sudanese refugee population to over 150,000 since December 2013.

Humanitarian assistance funding shortfalls are likely to persist, and limit response capacity. As of mid-October 2014, the Common Humanitarian Fund (CHF) budget of $986 million was only 47.2 percent funded. Large-scale new displacement (over 350,000) in Darfur and influx of refugees (over 100,000) from South Sudan since the beginning of 2014 have created an additional burden to the humanitarian budget in Sudan. As a result, WFP reduced food aid rations for long-term IDPs by 50 percent. WFP also reduced the value of vouchers by 30 percent. Reduced food aid rations are likely to be maintained at least during the first three months of the scenario period. Although funding and planning for humanitarian assistance in 2015 is not yet finalized, FEWS NET assumes that in the most likely scenario, humanitarian assistance will continue at similar levels during the first quarter of next year, given the large volumes of continued assistance in Sudan from year to year.

Most Likely Food Security Outcomes

Food security outcomes will continue to improve during the October to February harvest period and will remain stable through March across most of Sudan. Starting in October, most households in areas unaffected by conflict will have access to sufficient food from their own harvest and/or through market purchase funded by sales of cash crops and/or engagement is seasonal agricultural labor. The anticipated decline in staple food prices during the scenario period will improve access to food through market purchase. Minimal (IPC Phase 1) acute food insecurity is expected across most of Sudan from October to March.

However, acute food insecurity is likely to persist in conflict-affected areas of South Kordofan, Blue Nile and Darfur states where conflict continues to disrupt agricultural activities, access to income earning opportunities and market access. An estimated 25 to 30 percent of IDPs in SPLM-N controlled areas of South Kordofan will remain in Crisis (IPC Phase 3) and an estimated 30 percent of IDPs in Darfur are expected to remain Stressed (IPC Phase 2!) through March 2015.

AREAS OF CONCERN

South Darfur

Current Situation

- **Conflict-related displacement continued throughout 2014 forcing over 100,000 people to settle in camps in Nyala and elsewhere in South Darfur.** Renewed violence caused by Rapid Support Forces (RSF) and tribal conflict has displaced nearly 260,000 people since mid-2013 in South Darfur, representing the largest wave of displacement since conflict began in 2002/03. Conflict subsided during the June to September rainy season, reducing additional displacement. However, sustained levels of civil insecurity have prevented most IDPs from returning to their home villages. Displacement has caused loss of assets and livelihoods and most IDPs missed cultivation this year. In addition to the new IDPs, nearly 503,000 medium- and long-term IDPs continue to live in camps of South Darfur.
- **Cumulative rainfall and distribution was average to above average in most parts of South Darfur.** Due to poor rainfall at the start of the season in June, many farmers reduced area planted in order to minimize the risk of a second poor agricultural season. However, as rainfall performance improved, resident households in relatively secure areas expanded cultivation. According to preliminary findings of a rapid assessment conducted in September by the State Ministry of Agriculture, total area planted was consistent with the five-year average, but increased by

10 percent compared to last year. Groundnut cultivation expanded the most, with a 30 percent increase in area planted compared to last year.

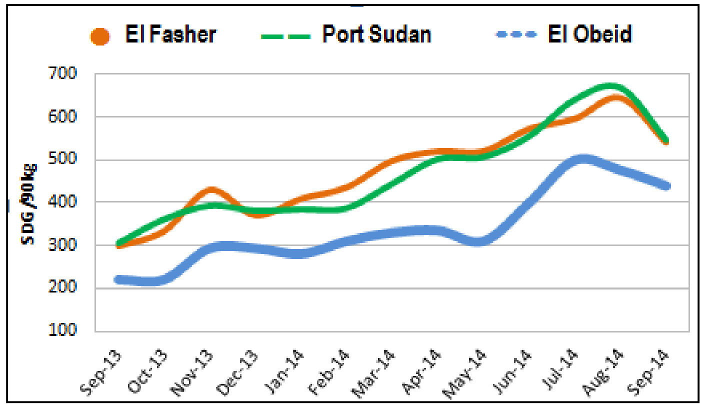
- **Cereal prices across South Darfur declined considerably from August to September, but remained well above last year and the five-year average (Figure 4).** Sorghum and millet prices in Nyala decreased by 15 percent from August to September, but remained 75 percent higher than last year and 110 percent higher than the five-year average. Since nearly 60 percent of food consumed by new IDPs is obtained through market purchase, high food prices continues to limit access to food for new IDPs.

- **Income sources remain limited for new IDPs.** Daily wage labor (e.g. unskilled construction labor, seasonal agricultural labor and brick-making) is the main source of income for new IDPs. Despite increases in labor wages due to increased demand during the agricultural season, many IDPs remain reluctant to travel required distances to access labor opportunities due to high levels of insecurity for these population. Moreover, labor opportunities within close proximity to camps are limited.

- **Despite high vulnerability to food insecurity, new IDPs are receiving 25 percent food rations.** New IDPs have been receiving 25 percent food aid rations provided by WFP. This only covers food consumption needs for one week. Other food sources are market purchase and gifts provided by protracted IDPs receiving 50 percent ration of food aid.

- **New IDPs currently face Stressed (IPC Phase 2!) food insecurity:** Even with assistance, new IDPs continue to face food consumption deficits of about 5 to 10 percent.

Figure 4. Millet Prices in Selected Darfur markets 2013-2014



Sources: FAMIS

Assumptions:

- **Security conditions will likely deteriorate with the onset of dry season in November.** Renewed conflict between SAF and Darfur rebel groups and armed militia activity is expected due to improved road access for troops and equipment. Conflict is expected to cause new displacement, although at lower levels compared to last year.

- **Increased competition for natural resources between cattle herders will likely lead to additional tribal clashes between December and January**. Continued blockage of seasonal livestock migratory routes running through South Darfur, South Sudan and Central Africa has increased tensions between tribes who compete for pasture and grazing areas.

- **Main harvests will occur from October to February.** Above-average harvests are expected due to increased area planted and favorable seasonal performance. However, livestock grazing in agricultural areas and conflict are expected to destroy crops in some areas and may affect overall net production. Crop destruction is not expected to exceed 5 percent of total area planted.

- **Seasonal decline in staple food prices is expected from October to March.** Based on price projection analysis, FEWS NET estimates that sorghum and millet prices will decline to SDG 250 per sack during the October to January harvest period. Conflict will likely disrupt market activity and trade flows from November to March.

- **Access to food and income sources are expected to improve from October to February**. The decline in staple food prices will improve access to markets for new IDPs who are rely on markets as a main source of food. Harvesting will increase agricultural labor demand and availability from October to January. However, insecurity will limit access to labor opportunities for many IDP households. The decrease in food prices and increase in income will not strengthen purchasing power enough for IDP households to be able to afford the minimum food basket in Darfur. If current wages remained stable at SDG 45 per working day and sorghum prices declined by to SDG 250 per sack, this likely to improve terms of trade in favor of daily wage laborers (new IDPS) by considerable amount during the scenario period.

- **Current level of food aid assistance to new IDPS likely to be maintained during the scenario period:** The current 25 percent ration of food aid to new IDPS likely to be maintained during the scenario period. However, having the food ration of hosting protracted IDPs reduced from 50 percent to 25 percent through December due to funding shortfalls and pipeline breakdown, the level of assistance provided by the hosting protracted IDPs to new IDPs likely to diminish during the scenario period. Since funding for 2015, operationally will not be available until March/April 2015, it is likely that the ration cut will remain through March 2015.

Most Likely Food Security Outcomes

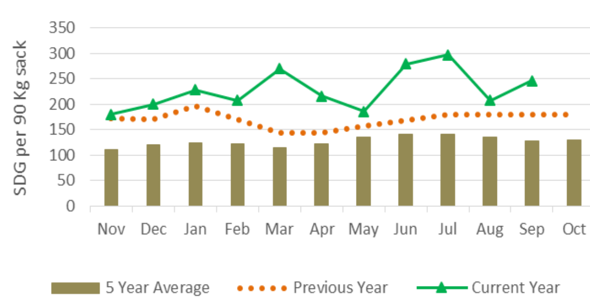
Marginal improvement in seasonal income opportunities will strengthen purchasing power of IDPs. The declining staple food prices will improve access to food through market purchase and above-average harvest likely to attract more in-kind support in form of zakat. In attempt to fill food gaps, some new IDPs might resort to send one male member to central Sudan to engage in seasonal agricultural labor in surplus-producing areas and/or to seek casual labor in main urban centers and send cash remittance back home. Despite these positive changes, 5 to 10 percent food consumption deficits will persist among 30 to 40 percent of new IDPs through the scenario period. These households will remain Stressed (IPC Phase 2!) from October 2014 to March 2015.

South Kordofan

Current Situation

- **Despite increased access to food and income related to 2014/15 harvests currently underway, ongoing conflict continues to limit improvements in food security in SPLM-N-controlled areas of South Kordofan State.**
- **Above-average, evenly distributed June to October rainfall across most of South Kordofan resulted in a 30 percent increase in area planted compared to last year**. Despite the relatively limited cultivation in SPLM-N-controlled areas compared to other parts of South Kordofan, satisfactory crop performance is expected to result in average to above average yields.
- **Despite the improvement in labor opportunities and wages in most parts of South Kordofan state, income levels for households in SPLM-N-controlled areas remain low due to limited cultivation and restricted population movements.** Income levels remain 30 to 40 percent below normal.
- **After significant decline between July and August, staple food prices increased between August and September (figure 5).** Retail sorghum prices in Kadugli increased by 50 percent from August to September. The price volatility in Kadugli is driven by humanitarian and government food aid (sorghum) distributions, mainly in GoS-controlled areas. Current staple food price levels in South Kordofan are 60 and 97 percent above last year and five year average, respectively. Staple food prices are even higher in SPLA-N controlled areas because of restricted grain flows and market disruptions

Figure 5. Sorghum: Nominal retail price in Kadugli in 2014 compared to last year and the 5-year average.



Source: FEWS NET/ FAMIS

related to insecurity. Household market access also remains limited.

- **Significant humanitarian access constraints continue to prevent essential food assistance delivery in SPLM-N-controlled areas**. Poor households, in addition to those affected by conflict in SPLM-N controlled areas remain largely inaccessible by humanitarian assistance. However, humanitarian interventions are ongoing for displaced households in GoS-controlled areas where an estimated 80 percent of the IDPs and poor households have regular access to food rations, supplementary feeding programs, and other basic services.

Assumptions for South Kordofan

In addition to the national-level assumptions specified earlier, this Outlook makes the following assumptions for South Kordofan in particular:

- **Conflict is expected to increase starting in January.** Hostilities between SPLM-N and Sudan Armed Forces (SAF) are expected to escalate during the January to March dry season as military operations increase with improved road accessibility.

- **Increased cross-border migration from South Sudan between January and March is expected.** The ongoing conflict in South Sudan will likely increase return of South Kordofanian refugees living in camps in South Sudan to SPLM-N-controlled areas. Additional cross-border migration of South Sudanese to South Kordofan is also likely between January and March.

- **Disruption of trans-boundary animal migratory routes:** The Messeriya pastoralists residing in the conflict-affected areas of South Kordofan are unlikely to access their normal dry season grazing areas in South Sudan because of on-going conflict in border areas of South Sudan. Competition for grazing resources among pastoralists and also for cropping land is likely to generate additional resource-based conflict in the area.

- **Average to above-average 2014/15 harvests are expected in most parts of South Kordofan.** Production in SPLM-N-controlled areas will be lower than in other parts of South Kordofan due to security related reductions in area cultivated.

- **Food prices will remain high in SPLM-N areas**: Prices will decline slightly during the harvest period, but low-level production and limited trade flows in SPLM-N-controlled areas will keep prices high. Prices are anticipated to be 30 to 40 percent higher in SPLM-N-controlled areas compared to GoS controlled areas of South Kordofan.

- **Income earning opportunities will remain limited.** Restriction of population movements will continue to reduce access to agricultural labor opportunities in the semi-mechanized schemes in GoS-controlled areas. Disruptions of money transfer system will also limit access to remittances. Insecurity will continue to limit other income sources like petty trade.

- **Humanitarian access to SPLM-N-controlled areas will remain restricted.** Access to humanitarian and/or external assistance is not expected to improve from January to March.

Most Likely Food Security Outcomes for SPLM-N area of South Kordofan

Household food consumption for IDPs and poor households in SPLM-N controlled areas will improve during the scenario period, due to November to January harvests. Market access will also improve as result of the expected decline of staple food prices and better opportunities of in-kind payments from agricultural labor. However, improvements will be limited by persistent insecurity, the absence of essential humanitarian assistance, and restricted population movements and trade flows.

Even with these improvements the loss of livelihoods as a result of conflict will prevent households from employing strategies to meet minimum food requirements. The majority of IDPs and war-affected households in the SPLM-N-controlled areas will continue to face food consumption deficits of 20 to 30 percent during the scenario period and these households will remain Crisis (IPC Phase 3) through the first quarter of 2015.

In GoS-controlled areas, household food consumption for IDPs and poor households is likely to be far better compared to those in SPLM-N areas due to the expected above-average harvests, the continued supply of inter-annual humanitarian assistance, better market access and more income earning opportunities. However, persistently high staple food prices, low income levels combined with below-normal cultivation are expected to continue to reduce ability of at least 20 percent of the IDPs and poor households to meet minimum food requirements. Ongoing conflict will continue to limit livelihood strategies. These households will remain in Stressed (IPC Phase 2!) food insecurity through March 2015.

EVENTS THAT MIGHT CHANGE THE OUTLOOK

Table 1: Possible events over the next six months that could change the most likely scenario.

Area	Event	Impact on food security outcomes
SPLM-N controlled areas of South Kordofan and Blue Nile states	Improvements in the security situation in SPLM-N-controlled areas, leading to substantial access to labor, markets and humanitarian assistance.	The food security classification through the outlook for IDPs and poor households would be revised to Stressed (IPC Phase 2).
All Sudan	Crisis in South Sudan worsens and results in a complete halt in oil export via facilities in Sudan	The halting of South Sudan's oil export would result in loss of nearly US$ 1 billion for Sudan that could lead to a huge budget deficit. This would necessitate new austerity measures by lifting subsidies of strategic commodities like wheat, which could lead to increased cost of living and possible civil unrest in main urban areas.
All Sudan	Further reductions in emergency humanitarian assistance.	If additional funding was not available during the scenario period humanitarian agencies, including WFP might be forced to adjust their existing programs. WFP in particular might further adjust food aid ration or suspend some live saving programs of IDPs that could lead to further deterioration of food security situation from Stressed (IPC Phase 2!) to Crisis (IPC Phase 3) levels during the scenario period.
North Darfur State	Completion of tarmac road that links Central Sudan and North Darfur	The completion of the 800 km long tarmac road from EL Obied in North Kordofan and EL Fasher town in North Darfur state, is likely to increase the integration of North Darfur markets with Central Sudan markets that could lead to reduced cost of transport and the time of travel.

ABOUT SCENARIO DEVELOPMENT

To project food security outcomes over a six-month period, FEWS NET develops a set of assumptions about likely events, their effects, and the probable responses of various actors. FEWS NET analyzes those assumptions in the context of current conditions and local livelihoods to develop scenarios estimating food security outcomes. Typically, FEWS NET reports the most likely scenario. To learn more about this approach to scenario development, visit www.fews.net/scenario_development.