The meeting of the Network for the Prevention of Food Crises in the Sahel and West Africa (RPCA) organized by the Permanent Inter-State Committee for the Fight against Drought in the Sahel (CILSS) and the Club du Sahel and West Africa West (SWAC/OECD) held in Praia from 8 to 10 December 2011, confirmed that provisional cereal production in the Sahel and West Africa, amounts to 55.4 million tonnes (up by 4% over the five-year period and down 8% compared to last year). Similarly, for CILSS member countries, production was confirmed at 16.6 million tonnes (down 2% from the five-year average and 25% compared to last year).

It is important to stress that these results hide considerable disparities: Chad and Mauritania recorded significant decreases of 23% and 38% over the five-year average and of 50% and 52% compared to 2010/2011. Pockets of poor agro-pastoral and fish production concern especially the entire Sahel region of Chad, the agro pastoral zone of Mauritania, north of Kayes and Koulikoro and the Delta of the Niger River in Mali, Northern, North Central and East Burkina Faso, Niamey, Tillabéri, southeast of Zinder in Niger and localized areas of Senegal and Gambia.

Overall, before imports; the Sahel has a cereal deficit of 2.5 million tonnes. However, countries in the Gulf of Guinea (Ghana, Togo, Nigeria and Benin) are said to have a good level of production and a surplus of maize that could be exported to deficit areas of the Sahel. Furthermore, levels of production of cassava (80 million tonnes) and yam (53 million tonnes), similar to last year, remain high.

Figure 1 : Results of the 2011 campaign. Summary of monitoring indicators of vegetation: NCI, VCI, NDVI

Source : Agrhymet
Responses are necessary to prevent a food crisis in the Sahel

Expected imports would therefore compensate for food deficits in the Sahel. However, grain availability will be very unevenly distributed in the region.

RPCA meeting also confirmed the biomass production throughout pastoral Sahel, except for the Gourma area of Dakoro (Maradi) and the islands of Lake Chad (Figure 1), and low levels of filling of water points. There is already an early transhumance observed in Mauritania and Chad, and changes in routes herders usually take from Mali to Burkina Faso. Regarding the locust situation in December 2011, ecological conditions remained favourable for the survival of locusts and for limited breeding in a few localized areas in central and northwestern Mauritania, on the parts of northern Mali, Niger and in eastern Chad.

Rices prices stable on international markets

In November, according to the FAO price index for rice, world prices are relatively stable across all export markets (Figure 2). This stability, however, masks disparities such as higher export prices registered in Thailand because of the October floods and of the Government’s policy to support domestic producer prices. The prices of other grains continued to decline, even if the adverse weather in South America has led to renewed firmness in wheat and maize prices in late December.

In December, the euro depreciated by 2.5% against the U.S. Dollar. Since early December, the Nigerian currency has experienced a 1% appreciation against the CFA franc. A slight appreciation of the Ouguiya against the CFA franc is also noted. Whereas 2820 UM could be exchanged for 5000 CFA francs in early December, the same sum could be purchased with 2750 UM end of the month, a 2% appreciation. Exchange rates continue to be followed to the extent they can influence cross-border trade.

Rise in coarse grain prices in West Africa

During the month of December, in the Sahel and in the Gulf of Guinea, the unseasonably early increase in coarse grain prices, already noted in November, continued. With increases in the last month (38% in Ouagadougou, 18% in Bamako and 10% in Niamey, according to Afrique Verte) millet prices reached unusually high levels for the period: early December the bag of 100 kg was over 22 000 CFA francs in the three capitals.

However, during the second half of December, there was a stabilization of the price of millet in Niger and Mali, after weeks of increases.

Nonetheless, levels of millet prices are at values well above the seasonal norm in Gao (93%), Segou (85%), Bamako (77%) and Ouagadougou (72%) (Figure 3).

Figure 2 : Grain prices on international markets

Source: FAO

Figure 3: Increase in retail price of millet, in December 2011 compared to the five-year average

Source : FAO/GIEWS.
Coarse grain prices in Senegal in November 2011 also show significant increases. According to the Senegal Market Information System, producer prices for millet were 22% above average of the last five years, reflecting the mixed harvest of dry cereals. In Senegal, the price of imported rice remain stable.

Although not of the same magnitude as the increase in prices of millet, an upward trend in maize prices is also observed in the Savannah zone which would supply grain to the Sahelian areas until the next harvest. Indeed, the current prices of maize in November is above the five-year average, for example Tamale (62%), Malanville (48%) and Kano (18%).

According to CILSS, a surplus of some 1 million tonnes of maize is available in the countries of the Gulf of Guinea for export to deficit zones in the Sahel. Although north-south trade flows of maize were effectively observed in the field as soon as November, the trade is occurring at high prices. If the south-north trade of maize will contribute to improving the availability of cereals in the Sahel, their high prices will limit poor household’s purchasing power.

It is also possible that the recent price increase of dry cereals in the Sahel is a sign of anticipated institutional purchase by traders. In this case, one could expect the pace of the increase to slow down and prices might even decrease in January as governments implement subsidized sales scheduled in the 2nd trimester of 2012. If not, this could lead to particularly high prices at the beginning of the lean season in the Sahel.

Current market anomalies imply decreased household food access. Moreover, were prices increases to continue, the viability of the cash and vouchers programmes that rely on stable markets could be compromised. Large price increases of would make cash transfers more expensive that in-kind assistance. Taking into account the operational implications that price increases can have and the difficulty of switching from cash to in-kind assistance, partners planning the implementation of cash transfers should closely monitor market trends in January to adapt their strategy if needed.

Decline of household food access in rural areas in Mauritania

According to a market survey carried out by the CSA, ACF and WFP in Mauritania, Mauritanian households are facing a decline in food access caused by falling revenues in a context of rising grain prices. A readjustment of grain markets affected by the drop in cereal production is observed. Flows of imported wheat towards the interior of the country have increased, particularly in the agro-pastoral and rain-fed agriculture zones, very affected by the collapse in grain production. There has also been an increased flow of dry cereals from Mali to the rain-fed agricultural zone areas and the Valley. The extension of supply chains leads logically to higher grain prices in rural markets in Mauritania, especially for coarse grains. Traders in the Valley have reduced sales on credit, a critical mechanism for consumers to access food.

The small ruminant trade is suffering from oversupply and rising prices for animal feed, leading to a fall in prices of around 20% compared to the previous year. In the markets of the valley, the supply of small ruminants has more than doubled compared to last year. Sometimes sellers cannot find buyers for their animals because of the abundance of supply, reducing herders’ income.

The substantial increase in grain prices, combined with low incomes from the sale of livestock, is eroding agro-pastoralists purchasing power.

According to an Oxfam exploratory mission in Brakna and Gorgol held from 23 October to 3 December 2011, household food stocks were equivalent to one month reserves in November. As a result, by January 2012, the crisis will have begun. The lean season, which in normal years begins in May, started this year in November. The 2012 lean season will then last ten months instead of the usual five.
Response preparedness

Under the Inter-Agency Standing Committee (IASC), humanitarian actors launched their strategy on preparedness to the food, nutrition and livelihoods crisis on Dec 15 in Dakar. The objective of this strategy is to reduce excessive mortality and morbidity and to strengthen the livelihoods of the most vulnerable households living in the areas affected by the food, pastoral and nutrition crises. A first version was developed and presented to the main partners but this document will be updated in light of recent evaluations, to better target, identify and quantify the response.

Recommendations for the regional food security and nutrition

<table>
<thead>
<tr>
<th>Measures</th>
<th>Advantages</th>
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<tbody>
<tr>
<td>Continue to support affected countries in the implementation of household food security and nutrition surveys</td>
<td>The number of households to assist is specified and targeting for the response is improved</td>
</tr>
<tr>
<td>Update the 'Strategy Sahel' for humanitarian actors to locate, target and quantify the response</td>
<td>Actions to mobilize resources are decided quickly</td>
</tr>
<tr>
<td>Support countries that have developed a contingency plan in the implementation of their crisis response</td>
<td>Countries trigger the response to the food, nutrition and livelihoods on time</td>
</tr>
<tr>
<td>Closely follow market indicators to determine the respective roles cash transfers and in-kind interventions will have in the response</td>
<td>A decision based on clear evidence, is taken on time, thus avoiding a delicate change in strategy at during the lean season</td>
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</tbody>
</table>

Conclusions

The risk of food crisis is confirmed in many parts of the Sahel countries. Already some of the poorest households will enter the lean season in a context of high grain prices and declining income. Due to the market’s inability to absorb the livestock offered for sale, agro-pastoralists’ food access will likely continue to deteriorate until the next rainy season.

Programs must be implemented immediately to provide adequate and timely responses. The continually high grain prices prompts to act with caution in the implementation of cash transfers, particularly in the central basin where increases are currently the strongest.