

KEY ISSUES

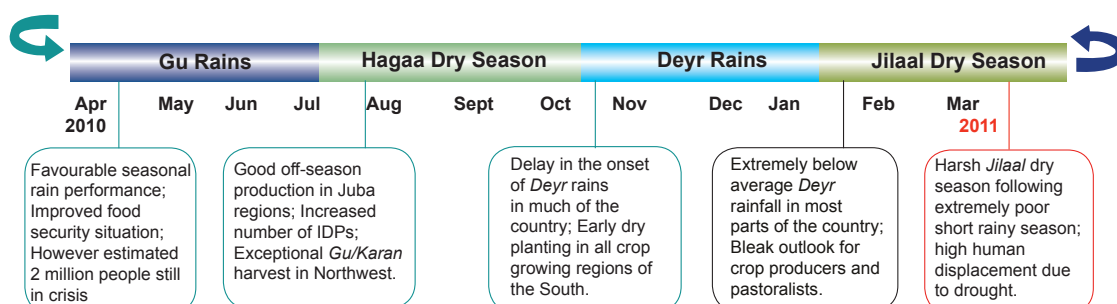
The food security situation in Somalia remains as classified during the post *Deyr* 2010/11 assessment (Jan – Jun 2011) with an estimated 2.4 million people in crisis. However, the effects of the ongoing drought, deteriorating purchasing power, rampant conflict and limited humanitarian space continue to aggravate the situation in most parts of the country. The *Jilaal* dry season has been particularly harsh, considering the prevalence of dry conditions for almost 9 months, as the short rainy season failed in 2010 due to La-Nina effect. The outcome of the dry season is evident in severe water crisis and extremely high prices of water, depleted pasture, deteriorated livestock condition, increased cases of livestock deaths, displacements and increased destitution in central regions. In addition, the rising trend in cereal prices triggered by the drought-induced shortfall in *Deyr* 2010 cereal production sustained in the first quarter of 2011, affecting both urban and poor populations. Although off-season maize harvest was collected in Juba regions in March 2011, the supply was not sufficient to stabilize high maize prices. Current *Gu* planting activities are below average due to the high costs of cultivation and uncertainty of the *Gu* season performance. The recent rapid nutrition assessments in Juba regions indicate significant deterioration of the nutrition situation in agropastoral and pastoral livelihoods, while slight improvement is observed in Juba riverine, mostly attributable to off-season crop production and health interventions.

Dry weather conditions persist

The country remained largely dry throughout the *Jilaal* season severely impacting vegetation and water resources, which are significantly degraded in key pastoral areas of the country. Severe water crisis persists and prices of water are extremely high. As a result, livestock is considerably emaciated and increased cases of abortion and death, particularly off-springs and lactating animals, are reported. The situation is worst in the livelihoods of Coastal *Deeh* (Central and Bari regions), Cowpea Belt (Central), Southern Inland Pastoral (Hiran), Nugal Valley and Sool Plateau (North). Drought displaced tens of thousands of people in the first quarter of 2011. For instance, nearly 6,000 people were displaced in Hiran region, while about 4,000 rural poor people became destitute in Coastal *Deeh* and Cowpea Belt.

Upward trend of food prices

As cereal stocks continue declining in crop-producing regions of the South, local cereal prices picked-up in most areas, reaching 40-45 percent increment in some markets in the last three months. The highest annual price increase, equivalent to 135 percent is recorded in Bay region, while the lowest of 20 percent is in Northeast. The price decline in the reporting period was only observed in the regions of Northwest due to high supply from the previous good *Karan* season. Additionally, imported commodity prices remain high compared to a year ago, particularly in the Somali Shilling (SoSh) zones of the country. High food prices continue to negatively affect purchasing power of both urban and rural people. Significant decline in the amount of cereals that could be purchased through daily labour wages or local quality goat sales is observed in most areas of the country. The cereal prices are expected to increase in the coming months, which will lead to further deterioration of the purchasing power of Somali people.



Somalia Seasonal Timeline & Key Events

Climate

Markets

Nutrition

Agriculture

Livestock

Civil
Insecurity

Emerging
Regional
Issues

Integrated
Food Security
Analysis

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SECTOR HIGHLIGHTS

CLIMATE

The 2011 *Jilaal* dry season (Jan–Mar) was particularly harsh, considering prolonged dry conditions in the preceding period, starting from the *Hagaa* dry season (Jul–Sep. '10) followed by extremely poor *Deyr* 2010/11 rainy season. Late *Hays* rains (Jan–Feb) specific to *Guban* or coastal livelihood of northern Somalia along the Gulf of Aden had slight impact on regeneration of pasture and water, while no *Todob*¹ rains (mid-March) were reported across the country. In addition, Shabelle river levels have dropped significantly, while Juba river crest level has not been reported up to now.

During mid-March, some localized showers fell in pockets of Juba, Gedo, Bay and Bakool regions, but with little to no impact on water and vegetation. In contrary, light rains that precipitated during the first and second dekads of March in Golis/Guban livelihood zone of Northwest, led to a slight improvement of pasture and water. The rest of Somalia continues to remain dry up to now. Based on National Oceanic and Atmospheric Administration (NOAA) weather forecast, expected *Gu* 2011 rains will be below normal in southern and central Somalia.

Vegetation Conditions

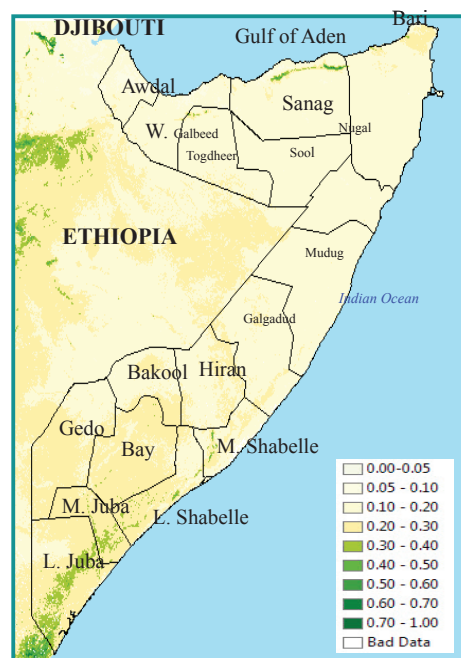
The satellite derived Normalized Difference Vegetation Index (NDVI) for the last *dekad* of March shows extremely poor vegetation particularly in parts of southern and central Somalia. The exceptions are localized areas in northern part of Mudug region, which is attributable to acacia tree renaissance during the last two *dekads* of *Jilaal*, indicating approaching *Gu* season (Map 1). In the north, with the exception of northern part of Sanag region (Ceerigaabo and Lasqoray districts) and parts of Awdal and Togdheer regions (Golis pastoral), vegetation conditions are also poor. The worst vegetation conditions in March 2011 were observed in riverine (Jamame) and pastoral (Afmadow) livelihoods of Lower Juba, agropastoral (Adale) of Middle Shabelle (Figure 1) and Bay agropastoral, where NDVI values are at minimum or below minimum² levels for these areas.

CIVIL INSECURITY

The volatile security situation continues to influence food and livelihood security of the Somali population, especially in parts of South-Central. According to the United Nations High Commissioner for Refugees (UNHCR), nearly 95,000 people were displaced nationwide between January and March 2011. In addition, about 31,000 of the Somalis arrived to Kenya, mostly to refugee camps, in this year alone. One third (32,000) of the internally displaced people are from Mogadishu, Shabelles, Jubas, Hiran, Gedo and Central regions, escaping sporadic and recurrent conflicts between the government, its allies and the rival armed groups in these areas. However, for the first time, prevailing drought rather than conflicts is the main cause of displacement in the country (Figure 2).

In the reporting period, intense fighting and clashes (Feb–Mar '11) were reported in the town of Beledhawa (Gedo region), as sporadic shelling continued from Ethiopia (Suftu village). Field reports indicate high civilian casualties, asset

Map 1: NDVI for the 3rd dekad (21–30) of March 2011



Source: SPOT

Figure 1: The NDVI dynamics in Adale (Middle Shabelle)

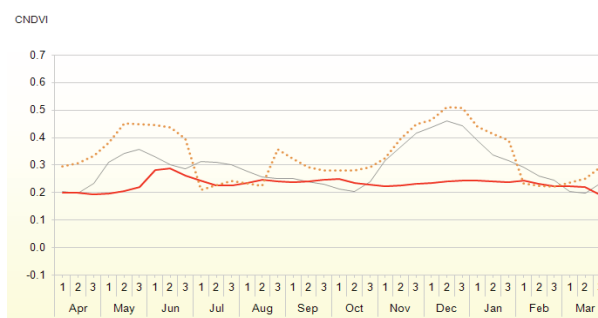
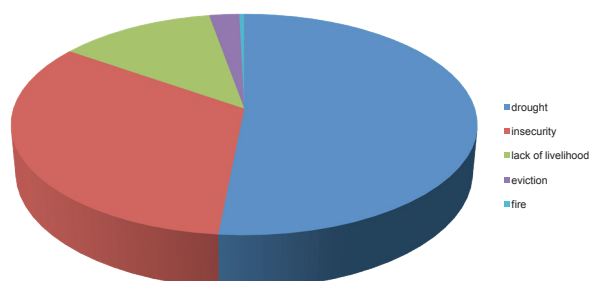


Figure 2: Causes of Displacement (97,000) in - 1st Qtr of 2011



Source: UNHCR Somalia, March 2011

¹ *Todob* are shower rains that occur 1–2 weeks before the start of rainy season

² NDVI Minimum represents the lowest value of NDVI recorded since 1999

destruction (more than 100 houses burnt) and displacement of about 80 percent (approximately 34,000 people) of the population from Beledhawa town. However, due to restriction of movement at the border by the Kenyan government, most of the displaced returned to the town. Further, the activities and access to the main market of Bakara have been hampered by intensified fighting and shelling in Mogadishu¹. This was one of the contributing factors of increased prices (10-12%) in most of the local and imported food commodities between January and March 2011 in Banadir region.

Furthermore, violent clashes in parts of Lower Juba (Dhobley) in the first quarter of the year between the opposing and pro-government forces halted operations of the single borehole, a critical water source during the harsh *Jilaal* dry season. Restrictions to movements of people and goods were also reported in Galgaduud region (Central), resulting from the intermittent conflict and tensions. The volatile security situation is one of the major causes of highest food prices observed in this region. In the North, however, the security situation was relatively stable in the reporting period owing to the ongoing mediations after the natural resource conflict (Dec' 10 – Feb' 11) in Kalshaale (Togdheer region). While humanitarian access is relatively better in the North, it is still restricted in South-Central regions due to insecurity.

AGRICULTURE

Ongoing Agriculture Activities

Farmers in agropastoral and riverine communities started land preparation and planting (dry sowing) of sorghum and maize in March 2011. In addition, irrigation of maize, rice and cash crops is ongoing in some areas of Shabelle and Juba riverine, resulting in improved labour opportunities. However, the cultivation is costly due to high tractor hour costs, low river level and shortage of seeds following the poor *Deyr* 2010/11 production. Agricultural activities in both agropastoral and riverine areas are below average at this time of the year due to high cost of cultivation as well as uncertainty with the *Gu* rainy season performance.

In March 2011, off-season harvest of maize, sesame and cowpea was collected in the riverine livelihoods of Juba regions, from the *desheks* (depression areas) and pump irrigated farms in Jammame, Jilib, Buale and Sakow districts. The current off-season harvest in the *desheks* is a result of natural floods occurred in May 2010, which recharged most of the *desheks* thereby bringing opportunities for two rounds of off-season crop production (Sep '10 and Mar '11). Additionally, part of the better-off households used pump irrigation to produce off-season crops in response to buoyant maize grains and fodder demand. The estimates of off-season crop production available from FSNAU assessment (15-22 March 2011) in Lower and Middle Juba regions are considerably higher than the projections (170MT of maize, 150MT of sesame and 50MT of cowpea) made during Post *Deyr* 2010/11 Assessment. Current off-season crop production includes 445MT of maize (210MT from *desheks* and 235MT from irrigation sites), 450MT of sesame and 145MT of cowpea. However, March 2011 maize harvest is significantly lower compared to what was collected the same time last year (1,600MT), due to lack of rains and flooding during the *Deyr* 2010 season. Most of the current off-season cowpea and sesame crops were collected in *desheks* (115 MT and 450MT, respectively). The distribution of March 2011 off-season harvest by districts is provided in Table 1 which indicates that most of the harvest was collected in Middle Juba region.

Table 1: Off-season Crop Production Estimates in Juba Regions (March 2011)

Region	District	Maize (MT)	Sesame (MT)	Cowpea (MT)	Total (MT)
Middle Juba	Jilib	140	150	20	310
	Buale	90	100	55	245
	Sakow	85	50	45	180
Lower Juba	Jammame	130	150	25	305
Total		445	450	145	1,040

Cereal Availability and Prices

Locally produced cereal supplies are low on the markets throughout the southern and central Somalia due to reducing stock availability following the *Deyr* 2010 crop failure, increased demand in local cereals from urban communities and refugee camps in Kenya resulting from the steep prices of imported cereals (wheat flour, pasta); and lack of food assistance due to limited access by humanitarian agencies. The shortage of supply is reflected in the significantly elevated local cereal prices throughout South, Central and Northeast regions.

¹ Source: United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), Humanitarian Update, March 2011

The exception is Northwest where white sorghum price showed relative stability in the last three months. The highest increases in average sorghum prices were recorded in Gedo (40%) and Northeast (44%) regions, attributable to reduced supplies as well as disrupted trade movement as a result of worsening security situation in the last month. The sorghum price increases were relatively modest in the regions of Sorghum Belt, such as Bay (12%) and Bakool (16%) as well as in the markets of Central (11%). However, no sorghum was available in the Beletweyn market of Hiran region in the first quarter of 2011, while maize was sold at elevated prices (25% from Dec. '10). In the same period, an increase was discerned in aggregate maize prices in Shabelle (25%) and Juba (19%) regions. Compared to a year ago (Mar '10), the average local cereal prices point to a considerable increase in the main markets of South-Central, including Shabelle (44% in riverine and 118% in agropastoral), Juba (46% in pastoral and 86% in riverine), Bay (136%), Bakool (107%), Gedo (66%), Hiran (67%) and Central (57%). In the same period, red sorghum price increase was relatively moderate in Northeast (21%), due to better access by humanitarian agencies. Conversely, the annual price of white sorghum has declined (11%) in Northwest as a result of good supply from *Gu/Karan* 2010 cereal production (Figure 3). Local cereal prices are expected to maintain an upward trend until the *Gu* 2011 harvest due to gradually reducing cereal stock availability (Figure 3).

Terms of Trade (ToT)

ToT between labour and cereal have shown considerable declines in most riverine and agropastoral areas, reflecting increases in cereal prices and drop in labour wages due to low job opportunities (Figure 4). In March 2011, 5kg of maize could be acquired per daily labour wage in Shabelle (6kg in Dec. '10) and Juba regions (7kg in Dec. '10), while 4kg of sorghum could be fetched in most agropastoral markets of Sorghum Belt (5kg in Dec. '10)¹. The ToT remained stable (11kg of white sorghum/daily labour) since December 2010 in the agropastoral markets of Northwest. Compared to a year ago, the ToT between labour wage and local cereals declined significantly in southern Somalia (March '10: Juba – 16kg; Shabelle – 9kg; Sorghum Belt – 10kg), while improving slightly in the Northwest 10kg in Mar '10. The land preparation, sowing and irrigation activities during the *Gu* 2011 season are likely to improve job opportunities and labour wages. FSNAU will continue close monitoring of agricultural activities, cereal prices and ToT dynamics.

LIVESTOCK

Pasture, water and livestock condition

The cumulative effects of poor performance of *Deyr* 2011 and subsequent harsh *Jilaal* dry season have led to significant dwindling of pasture and water resources in most key pastoral livelihoods of North, Central and Hiran regions. The exceptions are Golis/Guban and Hawd livelihoods in Waqooyi Galbeed and Awdal regions of the Northwest, where conditions are better due to favorable *Karan* and late *Hays* rains. However, severe water crisis prevails in most key pastoral areas of northern and central regions as the main water sources have either dried up or declined in quality due to the prevailing dry conditions. As a result, the body condition of all livestock species has considerably deteriorated, especially for sheep, goats and lactating camel.

In the Coastal *Deeh* and Cowpea Belt of central regions, goat, sheep and cattle are surviving through hand feeding, while in most pastoral livelihoods of northern and central regions (Sool Plateau, Nugal valley, Daroor/Karkaar, Addun and Hawd), the body condition of small ruminants has deteriorated to poor and very poor, leading to increased death rates, mainly among the kids and lambs as well as lactating animals. Cases of camel abortion were also reported in Sool and Hawd of Central, hence a reduction in the expected camel calving rate and milk production is expected during the *Gu* season. Further, increasing trend in trucked water prices in Hawd, Addun, Sool Plateau and Nugal valley is putting pressure on budgets of pastoral households, resulting in increasing seasonal debt accumulation thus, livestock assets of pastoral households have reduced due to high off take either because of distress livestock sales or mortality. Furthermore, livestock migration remains limited due to exhausted rangelands and weak livestock body conditions, affecting their ability to trek in search of water and pasture over long distances. Hence, the livestock concentration is high at water points.

Figure 3: Regional Trends in Cereal Prices SoSh and SiSh

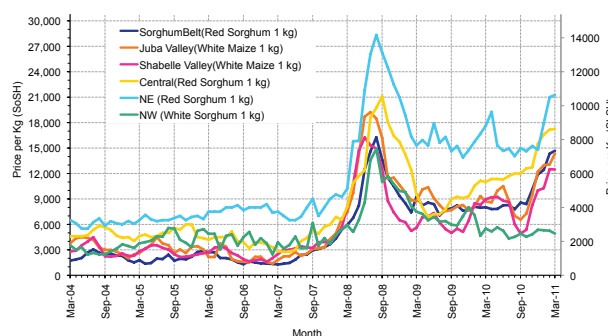
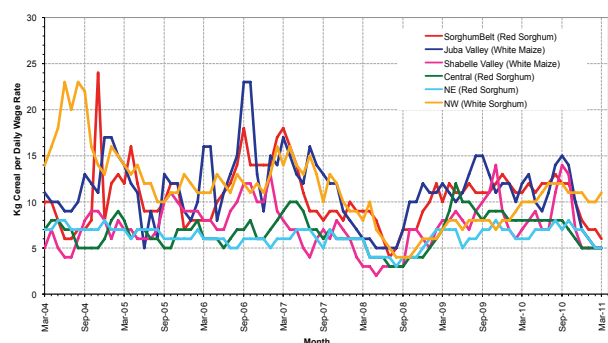


Figure 4: Regional Trends in Terms of Trade between Labour and Cereal.



¹ Beletweyn (Gedo) cross-border market was excluded from the Sorghum Belt ToT analysis as an outlier.

In the southern regions, pasture, browse and water conditions have worsened during *Jilaal* dry season (Jan-Mar) resulting in limited livestock migration options and excessive concentration in riverine areas of Juba and Shabelle basins. Expectant and lactating cattle as well as the young calves became weak and sick as they are increasingly contracting tripanosomiasis, a disease transmitted by tsetse fly common in riverine areas). Hence, the increased cases of cattle death are reported in Southeast Pastoral and Southern Agropastoral of Juba and Shabelle regions. Sheep herders in Coastal *Deeh* remained within the livelihood because of similar conditions prevailing in the neighboring livelihoods.

Livestock Trade, Prices and Terms of Trade

According to official port data, about 575,500 heads of livestock were exported from Somalia between January and March 2011. Almost two-thirds of the exports (61%) went through Berbera, while the rest was through Bosasso port. Compared to the same period last year, the livestock exports indicate six percent increase from Berbera and 18 percent decline from Bosasso. On the other hand, a high demand for live animals has completely shut down all functioning abattoirs in Burao, Beletweyne, Mogadishu and Galkayo. In the South, the volume of cattle trade from Lower Juba to Garissa cattle market has significantly declined due to drought conditions on the market trekking routes (see FSNAU Post-*Deyr* 2010/11 Technical Series). Currently, it is estimated at only one quarter of the levels of last year. However, increased sales of cattle is reported by the cattle herders in Buale in March to meet high costs of trucked water, veterinary drugs and food needs. However, Juba pastoralists are optimistic that trade improves and cattle prices pick up in April-May, if the *Gu* rains are good.

In the first quarter of 2011, local quality goat prices have shown relative stability with marginal changes in the North and most markets of southern Somalia. Relatively modest changes were observed in the markets of Sorghum Belt (9% decline) and Central (10% increase). Compared to a year ago, the local goat prices are significantly lower in southern Somalia (17-28%), although they have increased (8-12%) in the markets of Central and North (Figure 5). On the other hand, local quality cattle prices in Juba, Shabelle and Sorghum Belt continued a declining trend that started from October 2010. A particularly large decline (35%) was observed in Sorghum Belt regions due to poor livestock body conditions. Conversely, the export quality cattle prices maintained their levels in southern Somalia apart from Juba regions, as well as Northwest where the prices dropped by 14 and 12 percent, respectively. An annual comparison indicates considerably lower prices for local as well as export qualities of cattle in most cattle-rearing regions of southern Somalia, reflecting low demand and poor quality of livestock conditions attributable to prevailing drought conditions. In contrast, the prices have been stable in Northwest for both qualities of cattle.

Since December 2010, the ToT of local quality goat to cereals (Figure 6) followed a downward trend in southern regions of Shabelle (24%), Juba (14%) and Sorghum Belt (27%) mostly due to increased cereal prices. Conversely, the ToT has slightly improved in Northwest (7%), while maintaining the same levels in Northeast and Central due to stable rice prices and/or increased local quality goat prices (Figure 7). However, the ToT has dropped considerably from the levels a year ago, particularly in the southern regions where the range of decline is equivalent to 41-61 percent. The declines for ToT between local quality goat and red sorghum are also significant in Central (28%). Conversely, in the North, the ToT showed a slight improvement due to increased local quality goat prices and relative stability of red rice prices.

Figure 5: Regional Trends in Local Quality Goat Prices (SoSh/SISH)

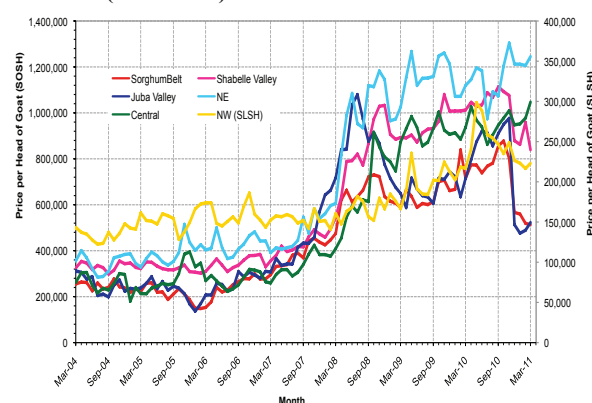


Figure 6: Regional Trends in Terms of Trade: Cereal to Goat South by Zone

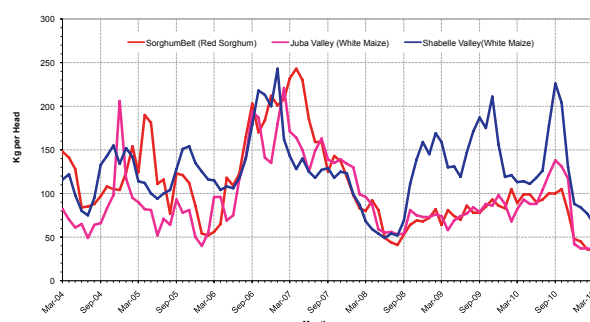
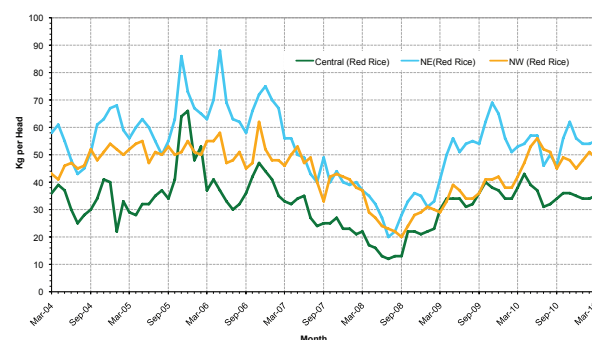


Figure 7: Regional Trends in Terms of Trade: Cereal to Goat North and Central



MARKETS

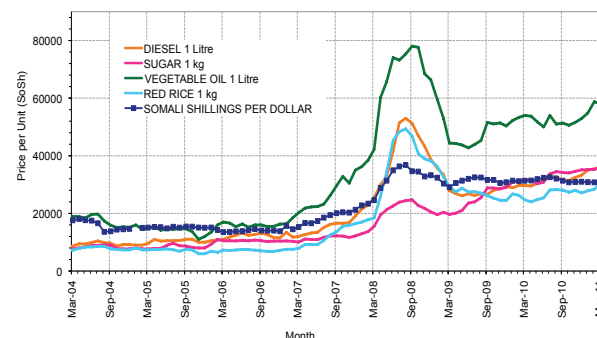
Exchange Rate

During the first three months of this year, both the Somali Shilling (SoSh) and Somaliland Shilling (SiSh) have exhibited a general trend of appreciation against the US dollar (USD) in most key markets of the country. In Mogadishu's main market of Bakaara, for instance, the Shilling appreciated from SoSh 31,750/USD in December 2010 to SoSh 30,750/USD in March 2011 (3% gain in value). Furthermore, in Hargeisa market, the SiSh was traded at an average rate of 5,200/USD in March 2011, indicating about 10 percent increase in value since December 2010 (5,800 SiSh/USD). Compared to a year ago, the appreciation of the SiSh is equivalent to 22 percent (SiSh 6,662), which is mostly attributable to the continued currency control by the government and high livestock exports in the recent months.

Import Commodity Price Trends

Over the last three months import commodity prices exhibited mixed trends in the SoSh areas. In the South, prices of most imported commodities were stable, with the exception of diesel (4-12%) and vegetable oil (5-12%), which showed moderate increases since December 2010. In the Central and North SoSh areas, the prices have risen for vegetable oil (10-19%), diesel, (4-8%) and wheat flour (4-7%). The rising prices of imported commodities are mainly due to increased taxation by multiple authorities and freelance militias, ripple effect of increased diesel prices inflating transportation costs and trade disruption attributed to recent fightings in the South in March 2011. Sugar prices remained stable across these regions over the same period.

Figure 8: Central: Imported Commodity Prices Compared to Exchange Rates

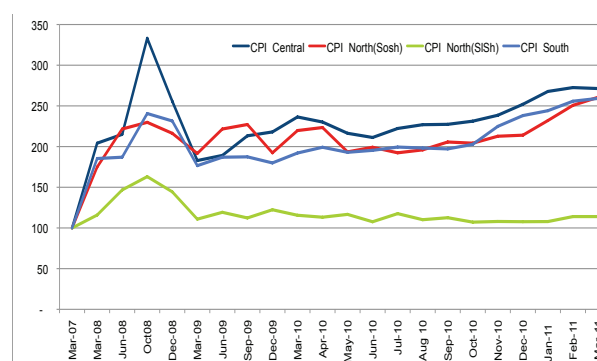


However, compared to a year ago, the prices of all imported commodities are higher (March 2010), in line with international price dynamics (Figure 8). The largest increases are recorded on the markets of Banadir (Mogadishu), and Shabelle regions, where market disruptions due to insecurity are an additional factor affecting the prices. Conversely, in SiSh markets, slight decreases (2-6%) in prices were observed in most of the monitored commodities. This is primarily due to moderate appreciation of the Somaliland Shilling, translating into cheaper imports.

Consumer Price Index (CPI) Trends

The increasing trend of the CPI, which started in October 2010, sustained in January-March 2011 in the SoSh areas. Over the last three months, the CPI has increased in the Northeast (22%), South (9%) and Central (8%), reflecting rising prices of cereals and other commodities included in the minimum basket (Figure 8). In the SiSh areas, however, the CPI increased by 6 percent after holding steady for several months (Oct'10 – Jan '11). The main reason is a significant surge in the price of red sorghum over the last three months. Nonetheless, compared to a year ago (Mar '10), the average CPI is stable in Northwest SiSh areas, while it is considerably higher in SoSh areas (19% - Northeast, 35% -South and 15% - Central) (Figure 9).

Figure 9: Zonal CPI Trends



NUTRITION SITUATION

Juba Nutrition Situation

The integrated seasonal analysis conducted by FSNAU and partners in January 2011 indicated significant deterioration in the nutrition situation in Juba Regions, to **Very Critical** levels in the pastoral and agro-pastoral livelihoods, and a sustained **Very Critical** phase in the riverine zone. This was mainly attributed to diminished access to food, and other basic services including health care, nutrition rehabilitation and prevention in the vulnerable groups, safe water and sanitation.

On February 21st – 28th, 2011, FSNAU conducted a rapid nutrition assessment in the three livelihood zones of Juba regions and assessed a total of 1116, 1102 and 1124 children aged 6-59 months, from the Pastoral, Agro-pastoral and Riverine livelihood zones. The results indicate a persistent worrying situation among the pastoral and agro-pastoral livelihood zone populations. The proportion of children reported to be acutely malnourished recording MUAC measurements of < 12.5 cm or Oedema is **15.0%** (Pastoral) and **15.6%** (Agro-pastoral), while the proportion of children severely malnourished (MUAC <11.5cm or oedema) is **3.1%** and **3.6%** respectively. MUAC findings for the riverine population group show slight improvement compared to the situation reported in the *Deyr* 2010/11 season, with **14.6%** and **3.2%** of the assessed children reporting MUAC measurements of <12.5cm and <11.5cm respectively. This slight improvement is attributed to the minimal crop harvests from the *Deyr* season, the availability of fish, fruits and vegetable in the riverine areas, in addition to improved income from the sale of fodder and the continued TFC and OTP programs in the area targeting the severely malnourished children. However, the persistent worrying nutrition situation in the other parts of the region is mainly attributed to household's limited access to milk, food and income due to poor animal body conditions resulting from inadequate pasture and water in the area due to the drought. The chronic issues affecting the nutrition and health status of the population such as inadequate health, sanitation and safe water, poor child care and feeding practices in addition to high morbidity rates still persist. Further details will be provided in the March-April 2011 Nutrition Update scheduled for release at the end of April.



Measuring MUAC on a child, Juba rapid assessments. FSNAU, Feb 2011.

Ongoing Nutrition Assessments

FSNAU and partners are currently undertaking livelihood based rapid nutrition assessments in the Shabelle livelihood zones. Additionally, plans to conduct a nutrition survey in Mogadishu, are at an advanced stage.

Morbidity and Outbreaks

According to the Somalia Health Bulletin No. 44, February 2011, the most common causes of morbidity reported by WHO include acute watery diarrhoea (AWD), suspected malaria (MAL) and acute bloody diarrhoea (ABD). 3 health facilities in Mogadishu and Afgooye Corridor confirmed 448 malaria cases, also reported were 77 cases of suspected measles and 54 cases of suspected meningitis. The CTC in Merka Hospital (Lower Shabelle) reported 30 additional cases of AWD, however and no deaths in February, of all cases, 80% (24) were children. In three weeks of February, Beletweyne MCH (Hiraan) reported 4 cases of suspected whooping cough. For latest WHO updates, please visit www.emro.who.int/somalia/CollaborativeProgrammes-eha.htm.

INTEGRATED FOOD SECURITY ANALYSIS

URBAN

In the first quarter of 2011, the food security situation continued on a deteriorating trend owing to the food price hikes (see *Market Sector*), rising of living across the country and weakened purchasing power of the urban poor. Additionally, the continuing insecurity and violence further constrained market activities and commodity flow, disrupting the urban livelihoods, particularly in southern and central Somalia.

The cost of the minimum basket (CMB) exhibited an upward trend throughout the SoSh areas of the country since December 2010 (Figure 10). The highest monthly increase of 22 percent was observed in the North SoSh, while the annual increase was equivalent to 19 percent. This was followed by the southern and central zones with about 8-9 percent increase in the last three months and respective annual increases of 33 and 15 percent. In the North SiSh zone, the CMB increased marginally (6%) in 2011 and remained unchanged compared to a year ago due to relative stability of food prices in the region. However, the absolute cost of the basket (in USD) in March 2011 varied across the country with the highest cost reported in the northern zones (US \$151 in North SoSh and US \$123 in North SiSh), followed by Central (US \$122) and the South (US \$84). This pattern indicates a general increase in the absolute cost of the basket (in USD terms) in SoSh zones. In contrary, the CMB reduced in the SiSh zone over the same periods, reflecting the exchange rate dynamics (Table 2).

The declining in ToT (labour to sorghum) in SoSh zones during March 2011 undermined purchasing power of the urban poor and their ability to meet the rising cost of living. In the last three months, the ToT reduced by 25-30 percent across the SoSh zones with the highest decline in Juba regions due to the increased prices of red sorghum (see *Agriculture Sector*), low labour wages and high transportation costs. Conversely, the ToT appreciated slightly in the Northwest due to high supply of white sorghum from the good *Karan* harvest in November 2010. Compared to a year ago (Mar '10), the ToT dynamics indicate a decline in South-Central (17-21%) and North SoSh (40%), and a slight increase in North SiSh zone (9%). In March 2011, the highest ToT in the country (10-15 kg per daily wage) was recorded in the North SiSh zone (Figure 11).

Labour opportunities for the poor households - mainly construction and portage - were average¹ in the first quarter of the year in most parts of the country. The exception is Central where labour availability was below average due to prevailing conflicts, drought and related economic hardships. The aggregate labour wage rates at the zonal level point to minimal changes. However, labour wages exhibited quarterly as (Jan to Mar '11) well as annual declines in Buale (23% and 48%) due to lack of agricultural labour opportunities, Beledweyne (11% and 15%) due to insecurity; and Abudwaq (15% and 20%) due to the prevailing drought. By zones, the lowest daily labour wage rates in March 2011 were in the South, followed by Central and North SoSh zone, while highest was in the North SiSh zones.

As the performance of the *Gu* rains over the next few months is not certain and cereal production will not occur until August 2011, the prices of locally produced cereals are expected to continue increasing trend in all the SoSh zones, ultimately pushing up the cost of living and aggravating the urban food security. FSNAU will continue to closely monitor the situation.

Figure 10: Trends in the Cost of The Minimum Basket

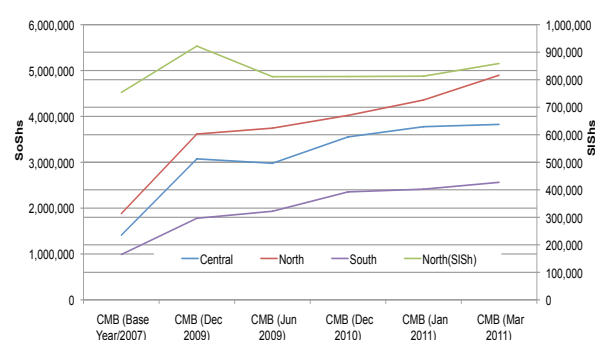
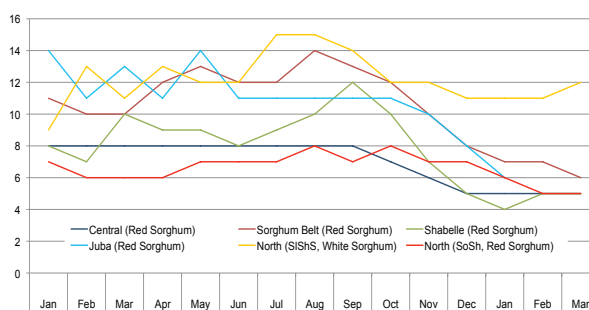


Table 2: Cost of Living in Somali and USD Currencies

Zone	Mar, 11 CMB (Local Currency)	Exchang Rate(Local Currency/ USD)	Mar, 11 CMB (USDy)
Central	3,825,775	31,282	122
North	4,898,241	32,375	151
North(SiSh)	858,975	6,962	123
South	2,562,526	30,431	84

Figure 11: Trends in Zonal Terms of Trade (Labour to Cereal)



¹ Availability level is determined on a scale of 0 to 5, with 0 - not available and 5 - abundant.

RURAL

Northern Regions

The current harsh *Jilaal* dry season is the worst since post drought years of 2001-2004. The food and livelihood security situation in Northeast and Togdheer, Sanaag and Sool of Northwest regions has considerably deteriorated due to complete failure of *Deyr* 2010 rains, coupled with the stress of the harsh *Jilaal* (January-March) dry season. Pasture and browse are completely depleted while the water sources (*berkads*, streams, and communal dams) have dried up leading to early water trucking (from November 2010) (150,000 – 300,000 SoSh/drum). The all time high water trucking costs, however, are only affordable by the upper middle and better-off households who are concentrated in areas with pasture, which are away from water points conversely, the poor households have migrated closer to the water points where water costs are much lower (850 SoSh/Jerrican at the water points compared to 12107 SoSh/Jerrican. Livestock body conditions of all the species are poor to very poor. The worst affected livelihoods are Coastal *Deeh* of Bari, Nugal valley and Sool Plateau, where increased livestock deaths (sheep and goat) are reported. Camel body condition is also very poor and cases of abortion in Sool Plateau of Sanaag were reported. However, in other areas of the North, camel calving is expected from May onwards. Golis/Guban and Hawd livelihoods of Waqooyi Galbeed and Awdal regions and agropastoral areas of Northwest are in better condition as a result of favorable *Karan* season and subsequent late *Hays* rains in most parts of Guban pastoral areas. In March 2011, the price of local quality goat increased by 11 percent in the Northeast, 18 percent in Togdheer and 9 percent in Sanaag of Northwest compared to same month last year. In addition, the terms of trade between goat to rice increased slightly in Togdheer of Northwest 1% and in the Northeast 2% compared to December 2010.



Depleted pasture in the Coastal and Sool livelihood zones. FSNAU, Mar 2011.



Queuing water tankers at Qardho borehole. FSNAU, Mar 2011.

Central Regions

The food security situation in the livelihoods of Galgadud, South Mudug and Hiran regions was affected by successive seasonal failures, resulting in livestock deaths during the harsh *Jilaal* dry season in Coastal *Deeh*, Agropastoral Cowpea Belt, Southern Inland Pastoral and localized areas of Hawd and Addun. Therefore, rural populations and pastoral destitutes remain in crisis, because of severely constrained food access due to lack or limited number of marketable animals at the household level and high cereal and water prices. Goat, sheep and cattle in the Coastal *Deeh*, Cowpea Belt and Southern Inland Pastoral of Hiran survive only through hand feeding. The livestock body condition, particularly for sheep, goats and cattle, have further deteriorated. Livestock migration is limited to remote areas with pasture, where water can be accessed only through water trucking. There are great concerns about possible livestock abortions if *Gu* 2011 rains delay. Currently, the population in Coastal *Deeh*, Cowpea Belt and pastoralists in Southern Inland Pastoral of Central and Hiran regions are in a particular dire situation. The drought affected households are migrating to main towns seeking survival through social support and engaging in casual employment to compensate for revenue losses. Pastoral destitution is evident in Coastal *Deeh* and Cowpea Belt livelihood zones where about 4,000 people fell into destitution in the last three months.



Destitute household, Hobyo, Mudug region. FSNAU, Mar 2011.

Southern Region

The food security situation in southern Somalia has been deteriorating due to food price hikes, worsening pasture and water conditions. This is attributable to prolonged dry conditions (*Hagaa* '10, *Deyr* '10' and *Jilaal* '11) as well as intensified conflicts in Gedo, Bakool, Mogadishu, Juba and Hiran, leading to increased displacement of populations and disruptions in economic activities. Declining water, pasture and browse availability affect livestock body condition and households incomes from livestock and livestock product sales. In addition, increased cases of high livestock deaths in the agropastoral and pastoral livelihoods are reported. At the same time, the elevated prices of food, water and animal fodder have further eroded the purchasing power of poor and middle households across pastoral, agropastoral and urban livelihoods.



Poor cattle body condition: Mugambo, Jammame, Lower Juba. FSNAU, Mar 2011.

Reports from the key reference markets in southern Somalia indicate that locally produced cereals prices (maize and sorghum) have significantly increased due to low cereal supply following the below average *Deyr* 2010/11 crop production and continued insecurity, disrupting the inter and intra-regional trade including cross border movements. The supply and prices of most imported commodities have also been affected by the imposition of port tariffs, increase in transportation cost, high food and crude oil prices and recent clashes in southern Somalia.

Due to deterioration in the livestock body condition, cattle traders are benefitting from throw-away prices of livestock. Field reports indicate the increased distress cattle sales between December 2010 and February 2011 within the region. Reportedly, cattle traders established ground holding sites, providing fodder (crop and grass) and water to improve the livestock body condition ahead of the coming *Gu* season. In addition, cattle traders provide water and fodder along the trekking routes to Garissa market, while some employ Mechanised transportation of livestock to Garissa market.

The off-season maize harvest of 445MT collected in Lower and Middle Juba regions (see Crop Sector) is higher than the projections made during the *Deyr* 2010/11 (170MT) assessment in December 2010. This is attributable to pump irrigation activities employed by the better-off households for maize cultivation in response to high demand for maize grains and fodder. Though this off-season maize production might improve food access of riverine population in the short term, the supply is not sufficient enough to stabilize the high maize prices in Juba regions. Therefore, the cereal prices in southern regions are likely to continue rising at least until the next seasonal harvest.

Recent and forthcoming publications and releases

FSNAU Press Release, January 2011

FSNAU/FEWSNET Climate Data Update, March 2011

FSNAU/FEWSNET Market Data Update, March 2011

FSNAU Technical Series Report Nutrition Situation, February 2011

FSNAU Technical Series Report, Post Deyr '10/11 Analysis, March 2011

NOTE: The above publications and releases are available on the FSNAU website: www.fsnau.org

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