

Large-scale food security Emergency (IPC Phase 4) continues in Yemen

KEY MESSAGES

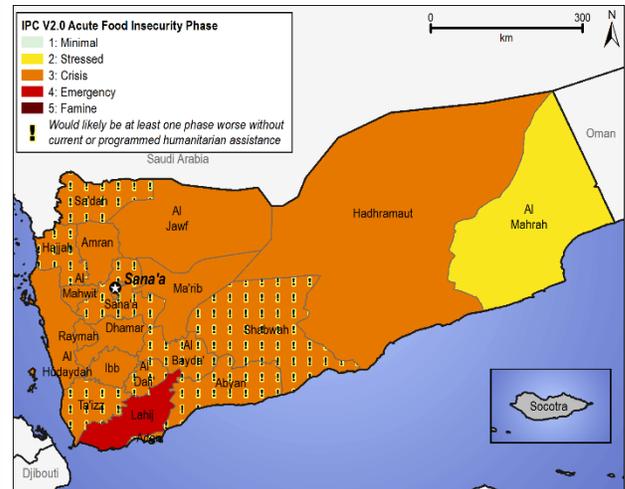
- Large populations in Yemen continue to face Crisis (IPC Phase 3) or Emergency (IPC Phase 4) acute food insecurity, the latter of which is associated with increased acute malnutrition and an increased risk of excess mortality. In a worst-case scenario, significant declines in commercial imports below requirement levels and conflict that cuts populations off from trade and humanitarian assistance for an extended period could drive food security outcomes in line with Famine (IPC Phase 5).
- Large-scale humanitarian assistance continues to play an important role in reducing the severity of acute food insecurity outcomes in Yemen. In July 2017, WFP distributed humanitarian assistance to approximately 6.1 million beneficiaries. At current funding and assistance levels, WFP expects to continue providing assistance through October 2017.
- In mid-August, the Central Bank of Yemen based in Aden floated the Yemeni Rial (YER), although the rival central bank in Sana'a did not agree to implement the exchange rate decision. In the weeks since the decision was announced, initial reports suggest the official exchange rate of the Central Bank of Yemen based in Aden has ranged between 370-372 YER/USD, compared to 250 YER/USD prior to the announcement.
- A major cholera outbreak continues in Yemen, with approximately 542,278 suspected cases identified and 2,003 deaths reported between April 27 and August 20, 2017. The spread of cholera has slowed significantly in some areas compared to peak levels, but the disease is still spreading fast in more recently affected districts and in remote villages. Populations facing both food consumption gaps and cholera are at the highest risk of increased mortality.

CURRENT SITUATION

Conflict

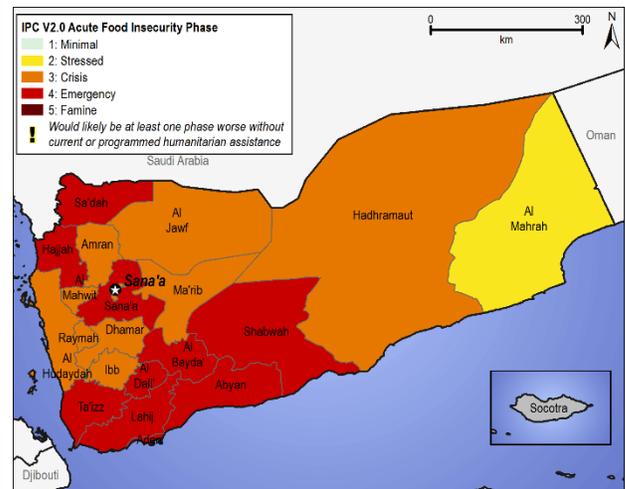
Widespread conflict events, including both airstrikes and armed clashes, continue throughout Yemen, particularly in western areas. The Protection Cluster and ECHO [report](#) that the number of airstrikes during the first half of 2017 exceeded the total number of airstrikes in 2016, with the monthly average being almost three times higher in 2017. Reported armed clashes in 2017 were also 56 percent higher per month compared to 2016.

Projected food security outcomes, August to September 2017



Source: FEWS NET

Projected food security outcomes, October 2017 to January 2018



Source: FEWS NET

FEWS NET classification is IPC-compatible. IPC-compatible analysis follows key IPC protocols but does not necessarily reflect the consensus of national food security partners.

- The potential for a military operation seeking to retake Al Hudaydah, including Hudaydah and Salif ports, remains very concerning. Together, these ports typically represent approximately 70 percent of monthly food imports and 40-50 percent of monthly fuel imports into Yemen. Should this operation unfold, there could be a significant disruption to commercial flows of imported food and fuel through the ports of Al Hudaydah and Salif, particularly if port facilities are damaged. A prolonged disruption of these trade flows would likely significantly limit staple food availability on many markets.

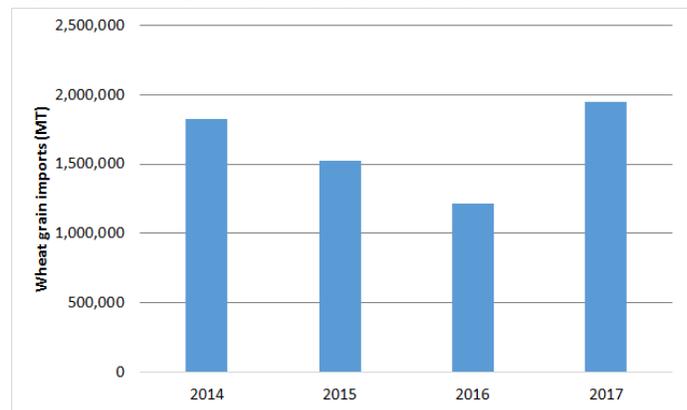
Macroeconomic conditions

- Although information is limited, it is believed that Yemen faces a critical shortage of foreign exchange. On August 14, the Central Bank of Yemen based in Aden [announced](#) a decision to float the country’s currency and instructed banks to use the market rate for US Dollar and foreign currencies. Soon after, the Central Bank operating in Houthi-controlled Sana’a announced its refusal to comply with the floating of the currency.
- In recent months, the official exchange rate has been fixed at 250 YER/1 USD, while the parallel market exchange rate has ranged between 340 and 370 YER/1 USD. In the weeks since the decision was announced, initial reports suggest the official exchange rate of the Central Bank of Yemen based in Aden has ranged between 370-372 YER/USD and the parallel market exchange rate has ranged between 370 and 377 YER/USD. Since January 2017, the Yemeni has depreciated against U.S. dollar by approximately two percent per month at a national level.

Food imports

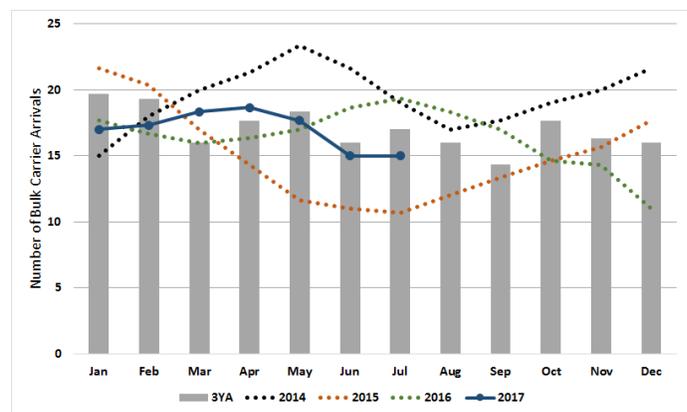
- Despite the financial crisis within the Central Bank of Yemen during the past several months and difficulties accessing currency and lines of credit through private sources, food imports have continued. Data from the Food Security Technical Secretariat (FSTS) and the Food and Agriculture Organization (FAO) suggest the quantity of wheat grain imported between January and June 2017 was 61 percent higher than during the same period in 2016 (Figure 1). In fact, January to June totals in 2017 are slightly higher than in 2014, prior to the increase in conflict. Meanwhile, FleetMon ship tracking data suggest the number of bulk carriers, which typically transport most staple cereals, that have arrived in the ports of Al Hudaydah, Al Salif, Aden, and Al Mukalla has increased following a sharp decline in late 2016 (Figure 2). Nevertheless, the number of bulk carrier arrivals to date in 2017 has been somewhat lower than in 2014.
- The International Committee of the Red Cross (ICRC), which has been bringing supplies to Yemen from Jordan via Saudi Arabia and Oman, recently [announced](#) that they would send a test shipment to Al Hudaydah port, expected to arrive at the beginning of September. In addition, Saudi Arabia [announced](#) on August 17 its plan to install four cranes at the ports of Aden, Al Mukalla, and Al Mokha to help boost humanitarian aid deliveries.

Figure 1. Wheat grain imports (MT), January to June totals, 2014-2017



Source: FAO/Yemen FSTS

Figure 2. Number of bulk carrier arrivals¹ in Yemen (all major ports) 2014-2017



¹ Data may include ships with multiple consecutive ports of call in Yemen. Monthly totals for 2014-2017 are calculated as three-month moving averages.

Source: FleetMon

Commodity availability on markets

- The availability of basic food commodities continued to improve in July in several markets compared to previous months, according to the July 2017 WFP Market Watch Report. Wheat flour was reported as only “sparsely available,” the third of a five-level classification for commodity availability, in just two governorates. This suggests a marked improvement compared to three months ago when wheat flour was “sparsely available” in 60 percent of the governorates. Wheat flour was either “available” (the best ranking) or “widely available” (the second best ranking) on the remainder of markets monitored. The report attributes the improvement in availability to better movements of commodities and an increased amount of overland imports through informal border crossings. However, food commodities remain difficult to access in governorates where conflict is ongoing (such as Ad Dali, Al Baidah, Hajjah, Lahj, Saadah, Shabwah and Ta’izz).
- Availability of fuel (diesel, gasoline and cooking oil) has improved in July, with fuel now “available” or “widely available” on half of the markets assessed by WFP, and only “sparsely available” on the other half. As recently as April, fuel was only sparsely available on nearly all (95%) of markets assessed by WFP.

Fuel prices

- Prices of diesel and petrol at most markets were either stable or increased between June and July 2017, while prices of cooking gas decreased, according to WFP data. In general, most prices remained above pre-conflict levels (national average: diesel (+46 percent), gasoline (+54 percent) and cooking gas (+73 percent)). The highest diesel and cooking gas prices were observed in Ta’izz, while the highest gasoline prices were in Abyan.

Wheat flour prices

- Wheat flour prices remain above average across the major markets in Yemen, although prices have been stable in most markets in recent months. In the major import and consumption markets of Al Hudaydah, Aden, and Sana’a City, wheat flour prices are approximately 10 to 30 percent higher than in the months prior to the start of conflict in March 2015, based on WFP price data. However, prices in Ta’izz are 40 to 80 percent higher than those found in most other markets in Yemen. Ta’izz continues to be a major center of conflict and insecurity, which is likely significantly disrupting supply and leading to much higher prices than normal. Prices have also been high and volatile on Attaq market in Shabwah governorate.

Social Welfare Fund payments

- Starting in August, UNICEF began conducting World Bank-funded transfers (primarily in cash) to former Social Welfare Fund (SWF) beneficiaries in more than 300 districts in 22 governorates. The program is planning to target 1.5 million families as direct beneficiaries, or about 8 million people as indirect beneficiaries, with two quarterly payments scheduled in August/September and October/November 2017. These additional cash resources could help significantly improve household purchasing power and food access among some of the poorest households.

Humanitarian assistance

- Large-scale humanitarian assistance continues to play an important role in reducing the severity of food security outcomes within Yemen. In July 2017, WFP provided assistance to close to 6.1 million people, with 3.2 million people receiving full rations and close to 2.9 million people receiving 60% rations. The total number of beneficiaries increased compared to June, when it was approximately 5.4 million people, and May, when it was approximately 4.4 million people. As of mid-August 2017, OCHA [reported](#) the Food Security and Agriculture Cluster (FSAC) 2017 Yemen Humanitarian Response Plan was only 32.6 percent funded at approximately 350.4 million USD.

Cholera outbreak

- A major cholera outbreak continues in Yemen, with WHO reporting more than 500,000 suspected cases between late April and mid-August 2017. The largest numbers of cases of been reported in Al Hudaydah, Sana’a City, Hajjah, and Amran governorates. The spread of cholera has [slowed](#) significantly in some areas, but is still spreading rapidly in more recently affected districts in Amran, Dhamar, Hajjah, and Lahj. Health, water, and sanitation issues have likely contributed to the

recent upsurge in the cholera outbreak, which led the health ministry to declare a state of emergency in Sana’a City on May 15 and to launch a national cholera campaign on August 15.

UPDATED ASSUMPTIONS

The current situation has not affected most of the assumptions used to develop FEWS NET’s [most likely scenario for the period of June 2017 to January 2018](#). However, the following assumptions has been updated:

- **Humanitarian assistance:** FEWS NET assumes that WFP’s humanitarian assistance will continue at current levels until the end of October 2017. However, given uncertainty with regard to assistance funding after October, no humanitarian assistance is assumed between November 2017 and January 2018.

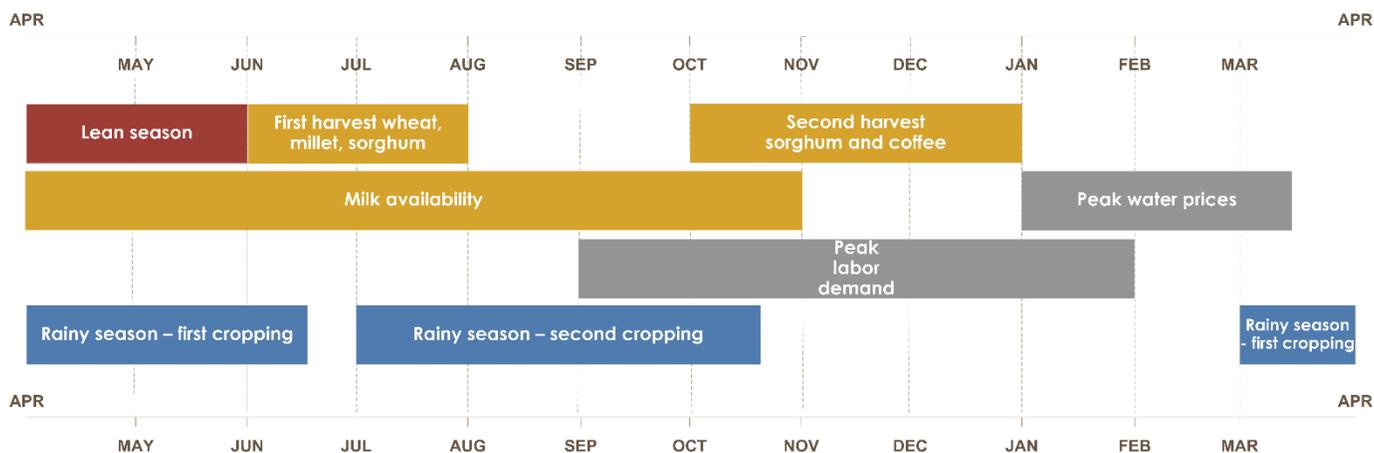
PROJECTED OUTLOOK THROUGH JANUARY 2018

- **The ongoing food security emergency in western Yemen is likely to continue to drive very high assistance needs through at least January 2018.** IDP populations and poor households in conflict zones will likely continue to face the most severe food security outcomes. Given expected food consumption gaps during the scenario period, acute malnutrition is expected to rise and remain above seasonally normal levels across much of the country, and there is an increased risk of excess mortality due to both food consumption gaps and cholera. Governorates where humanitarian assistance is playing a key role in preventing worse food security outcomes (including Abyan, Aden, Ad Dali, Al Bayda, Hajjah, Saadah, Shabwah and Ta’izz) will likely deteriorate into Emergency (IPC Phase 4) in the absence of continued assistance between November 2017 and January 2018. Given lower impacts of the conflict on household livelihoods in the governorates of Al Mahrah compared to western areas, FEWS NET estimates that poor households in this governorate will likely continue to be able to meet their basic food needs but may not be able to afford essential non-food expenditures, in line with Stressed (IPC Phase 2) outcomes.

ABOUT SCENARIO DEVELOPMENT

To project food security outcomes, FEWS NET develops a set of assumptions about likely events, their effects, and the probable responses of various actors. FEWS NET analyzes these assumptions in the context of current conditions and local livelihoods to arrive at a most likely scenario for the coming eight months. [Learn more here.](#)

SEASONAL CALENDAR FOR A TYPICAL YEAR



Source: FEWS NET