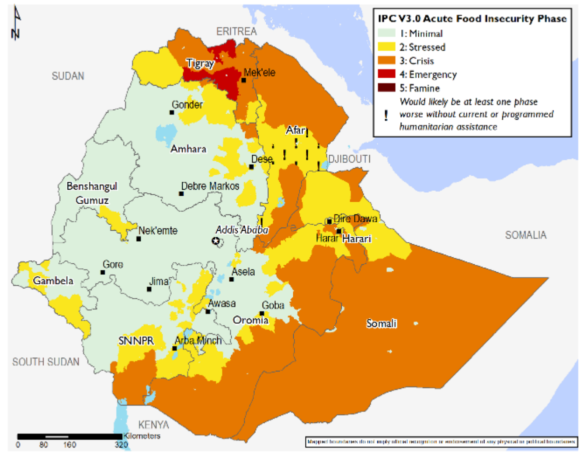
ETHIOPIA Food Security Outlook Update December 2020

Food security Crisis across much of western Ethiopia drives significantly above normal needs for 2021

KEY MESSAGES

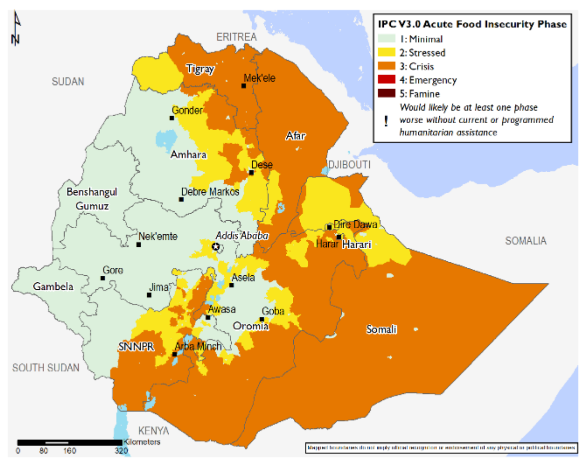
- Since the outbreak of conflict in early November between federal and regional forces in Tigray, nearly 54,000 people have been displaced to Sudan as of December 26, with many likely displaced in Tigray and to bordering areas of Amhara and Afar. Additionally, market function and economic activity were significantly disrupted, which led to significant price increases, limiting many households' ability to access food and income. While some improvement in economic activity has been reported in accessible areas since conflict subsided in early December, economic activity in many areas continues to be limited.
- Crisis (IPC Phase 3) outcomes are expected in many parts of Tigray as households are expected to continue to have limited ability to access food and income. In the absence of humanitarian assistance, Emergency (IPC Phase 4) outcomes are likely ongoing in some central and eastern areas of Tigray; however, as economic activity is expected to improve as the conflict remains at lower levels, Crisis (IPC Phase 3) outcomes are expected to emerge in February/March 2021.
- Below-average October to December *hagaya/deyr* rainfall across southeastern pastoral areas has driven below-normal pasture and water availability for this time of year, resulting in a decline in milk production. In southern pastoral areas, pasture conditions are relatively normal. The decrease in livestock prices, coupled with the high staple food prices, is resulting in low purchasing power for poor households. As a result, Crisis (IPC Phase 3) outcomes are expected to persist through at least May 2021.
- The likely below-average February to May 2021 rainfall is likely to negatively impact *belg* production in most of SNNPR, central and eastern Oromia, eastern Amhara, and southern Tigray. In addition to the below-average rainfall, the likely below-average area planted is expected to drive a below-average harvest, which will likely negatively impact food availability from June onward. Furthermore, the forecasted below-average *gu* in southern and southeastern pastoral areas and *sugum* in northern pastoral areas are expected to drive pasture and water availability deterioration.

Projected food security outcomes, December 2020 to January 2021



Source: *FEWS NET*

Projected food security outcomes, February to May 2021



Source: *FEWS NET*

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CURRENT SITUATION

The compounding impacts of high levels of conflict and displacement, poor macroeconomic conditions, high food prices, weather shocks, and lower than normal access to income are driving higher than previously anticipated humanitarian assistance needs at the end of 2020 in Ethiopia. Most recently, in November, the conflict in the Tigray region resulted in a notable decline in food security among displaced, urban, and poor rural households despite the ongoing harvest.

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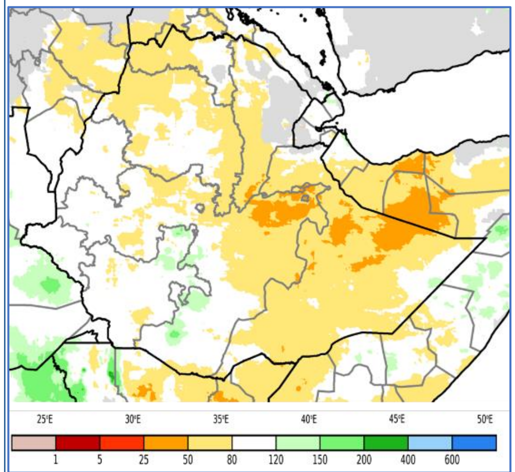
After longstanding tensions between the regional and federal government, widespread conflict broke out in early November, continuing into early December when the federal government captured Mekele, the regional capital of Tigray. Since then, conflict has been ongoing at relatively lower levels, predominately in some central and eastern areas. Additionally, telecommunications services were cutoff across the region, and a State of Emergency, limiting people movement, was imposed through at least April 2021. By late December, as conflict subsided, some telecommunication services were restored in areas of the region; however, services remain limited in some central and eastern areas.

The conflict resulted in a significant disruption to market function, trade flows, assistance delivery, and livelihoods across the region and some neighboring areas of Amhara and Afar. The impacts of conflict are most significant in urban, central, and eastern areas surrounding Mekele. It is likely while at low levels, insecurity and military operations are ongoing in these areas, and the State of Emergency continues. According to UNHCR, as of December 26, nearly 54,000 people were displaced to Sudan. OCHA reported on December 13, nearly 63,600 people are now considered IDPs, including some who fled towards Afar and Amhara regions.

Figure 1. Rainfall as a percent of normal for October 1 to December 31 based on CHIRPS and GEFS forecast



Source: *UCSB/CHC*

In other parts of the country, sporadic conflict continues at higher levels than seen in recent years in SNNPR, western Oromia, and northeastern Benishangul Gumuz. According to media outlets, in late December, conflict in Benishangul Gumuz resulted in new fatalities and displacement, with some of the newly displaced households likely to soon receive humanitarian assistance. According to OCHA, in November, conflict in SNNPR resulted in the displacement of around 157,300 people, and around 32,000 IDP from Konso returned to their place of origin. Returned IDPs are likely re-engaging in their normal livelihood activities.

According to satellite-derived estimates and ground information, *deyr/hagaya* rainfall in areas of South Omo, SNNPR, and Borena, Oromia, was average while below average across the rest of southern and southeastern pastoral areas. Despite heavy October rainfall, the atypically low November and December rainfall drove below-average seasonal rainfall (Figure 1).

In *meher*-dependent areas, the dry conditions in October to December favored harvesting and cash crop collection activities. As of mid-December, the likely near-average *meher* harvest was largely complete with thrashing activities ongoing. Desert locusts, among other pests, caused large-scale crop damage in South and North Wollo zones of Amhara, Southern and Eastern zones of Tigray, and East and West Hararghe zones of Oromia, wherein some instances crop losses were up to 60 percent. According to a crop assessment completed in October, significant crop damage also occurred in the lowlands of Waghimra due to the early cessation of rainfall and inadequate moisture. Similarly, in agropastoral and riverine areas of the Somali region, below-average *deyr* rainfall, desert locusts, and below-average access to agricultural inputs drove below-average production.

According to FAO, in early November, desert locusts located in areas of Tigray, Amhara, and Afar moved northwards to Eritrea and southeasterly towards eastern Oromia and Somali regions. In mid-November to December, swarms declined in northern Somali and Eastern Oromia as they moved southeasterly to parts of the Somali Region, where they matured and laid eggs. As a result, hatching and band formation are widespread, particularly in the Dollo and Korahe zones of the Somali region.

In many pastoral areas, water and pasture availability are below normal. While rainfall was favorable in northern pastoral areas, high temperatures and desert locusts are driving poor pasture availability. In most southern and southeastern pastoral areas, the below-average October to December *deyr/hagaya* season and persistent desert locust swarms also led to below-normal vegetation conditions. Although, in Korahe, Dollo, and Liban zones in Somali region, while conditions are currently favorable resulting from consecutive favorable seasons and well-above-average October rainfall, vegetation is depleting atypically fast, notably in Dollo and Korahe zones. This is due to a high concentration of livestock resulting from atypical livestock migration. Additionally, pasture access is generally lower than normal in these areas due to the coverage of *Prosopis,* which is not edible for livestock, and poor access to grazing areas in Korahe and Shebelle zones due to an ongoing government project.

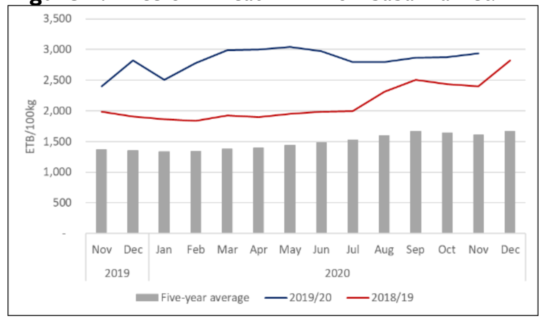
Livestock body conditions, production, and productivity are generally normal due to the previous favorable seasons in most parts of the country, and no atypical livestock disease outbreaks have been reported.

According to CSA, the annual inflation rate in November was 19 percent, slightly below October; however, the annual inflation rate remains high. The parallel and official market exchange rates continue to depreciate gradually. The ETB is now trading at a minimum of 49 ETB/USD on the parallel and on average at 37.76 ETB/USD official markets, driving continued macroeconomic pressure on markets and transportation.

Conflict is disrupting trade flows driving instability in market supply in affected areas of the country. In addition, the supply of imported commodities to the Somali Region from Kenya and Somalia is below average due to increased border screening. Of particular note is the disruption of trade flows and market function within Tigray and with bordering Amhara and northern Afar Regions areas due to the conflict, heavy military presence, and the State of Emergency. The movement of traders is extremely limited to Tigray as transport routes closed and impeded the supply chain. This has resulted in commodity shortages on the market in many cases, and extreme price increases. According to WFP, prices in Mekele increased up to 100 percent for staple food prices.

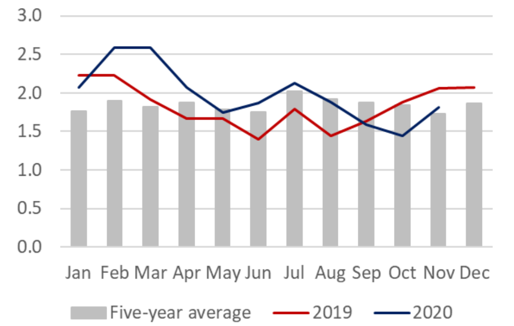
As the harvest is complete in the rest of the country, staple food prices are stable or have moderately decreased in the last two months; however, remain significantly above average. In November, maize prices in Wolayita Sodo market in SNNPR are similar to October; however, 33 and 57 percent above the same time last year and the five-year average, respectively. Similarly, in November, wheat prices in Addis Ababa were nearly 25 percent and 85 percent above the same time last year and the five-year average (Figure 3).

Figure 2. Price of Wheat in Addis Ababa Market.



Source: *FEWS NET/ETBC*

Figure 3. Goat to maize (50kg) ToT in Gode Market



Source: *Somali Disaster Prevention and Preparedness Commission Office*

Since September, prices for goats and sheep have increased across most of the country; however, prices declined in October then rebounded in November. Terms of trade (ToT) declined due to travel restrictions limiting formal and informal international trade flows; however, a slight rebound in ToT was observed in November, largely driven by the slight decline in maize prices. In Gode market, the goat to maize TOT in November was near average (Figure 3). In the lowlands of Bale, East, and West Hararghe zones of Oromia, livestock supply on the market is increasing for households to access income, which is driving a decline in livestock prices. The conflict in Tigray and the impacts of the conflict in bordering areas of Amhara and Afar also drove a decline in livestock prices by about 40 to 50 percent compared to prices before the conflict.

In Tigray, household income from different sources is significantly affected due to conflict. Both migrant and local labor and employment are nearly nonexistent in Tigray and limited in bordering areas of Amhara and Afar regions.

As of December 30, the cumulative COVID-19 cases were over 123,800, with a nearly 7.0 percent testing positivity rate. After the easing of COVID-19 related movement restriction in early September 2020 and the reopening of schools in November 2020, the engagement in protection measures has significantly declined.

In addition to COVID-19, diseases like measles, AWD, and cholera continue to be of concern, especially in lowland areas of Oromia and Dawro, Gedeo, South Omo zones of SNNPR. In September, over 41,000 children were admitted to Therapeutic Feeding Programs (TFP), nearly 50 percent above the five-year average. More specifically, a rapid nutrition assessment completed in October and November in Oba Bultum, Shenene Kulo, Bordede, Merti, Doba, Arsi Golocha, Hoamaya, Gursum, Adami, and Boset woredas of Oromia region illustrate serious concern in nearly all assessed woredas where GAM by MUAC, was over 10 percent. According to the ENCU, the main drivers for the deterioration of nutritional status includes inadequate infant and young child feeding practices and lack of access to safe drinking water and sanitation. Nutrition programming declined following the start of the harvest, typically in most parts of the country. This is when nutrition outcomes typically start to improve due to access to own foods; however, levels of acute malnutrition remain high.

PSNP transfers continue normally for direct beneficiaries, besides in Tigray, where PSNP distributions have not occurred since October to the roughly 250,000 direct beneficiaries. The fifth round of humanitarian assistance delivery was completed in most regions except in Tigray, where conflict disrupted assistance distribution. The sixth round of assistance was dispatched to many areas. Reports from zonal level key informants indicate, over 96,000 IDPs/returnees residing in the Bale zone have not received assistance since August and are in a critical situation. In Tigray, humanitarian assistance distribution was prevented since early November due to conflict, with many areas receiving no assistance from early November through mid-December. However, food and non-food assistance distributions started in the second week of December to some accessible areas in and surrounding Mekelle, Shire, and Alamata.

Across Tigray, among rural and urban households, food security has notably declined in eastern, central, and southern areas. Those households who can harvest are likely sharing among those with limited food access and leading the early depletion of household food stocks. Due to the limited market activity, high staple food prices, and limited ability to access income areas of northeastern Amhara, eastern parts of Tigray, and most of Afar regions are likely having difficulty meeting their food needs and face Crisis (IPC Phase 3) outcomes, with some households experiencing Emergency (IPC Phase 4), especially among those with no access to own food stocks.

Areas along Tekeze Catchment, in some isolated northern and eastern areas of the Tigray region, the conflict with limited people movement and trade, on top of already low food supplies, has extremely limited households' ability to access food and income. As a result, these areas are likely experiencing Emergency (IPC Phase 4). Households in these areas are likely relying on extreme consumption-based and livelihood coping strategies. Western areas of Tigray are likely facing Stressed (IPC Phase 2) outcomes, with some households likely facing Crisis (IPC Phase 3). This area is a surplus producing area where most households have better access to food and income, and conflict was relatively short-lived.

Below-average milk production, low income from livestock sales, and increased staple food prices are suppressing food access of most poor households in southern and southeastern pastoral areas. As a result, most of these areas are in Crisis IPC (Phase 3), except Fafan and Sitti zones, which are experiencing Stressed IPC (Phase 2) outcomes.

In SNNPR and other western parts of the country, the *belg* and *meher* harvests allow many households to consume their own foods. As a result, apart from lowland parts of SNNPR along the Rift Valley, which are experiencing Stressed (IPC Phase 2), most western parts of SNNPR and parts of the country are in Minimal (IPC Phase 1).

UPDATED ASSUMPTIONS

The assumptions used for the October 2020 to May 2021 Ethiopian Food Security Outlook remain unchanged except for the following:

- Pasture and water availability are expected to remain below average in southern and southeastern pastoral areas due to the below-average October to December season until the start of the March to May 2021 *gu.* As a result, livestock body conditions and productivity are expected to decline slowly through March.
- Livestock prices are expected to decline through at least mid-2021 due to the continued deterioration in livestock body conditions across many areas. As a result, the terms of trade (ToT) to purchase staple foods for livestock sale are expected to disfavor pastoralists and decline throughout the scenario period.
- In Tigray, localized conflict is likely to continue, resulting in some displacement. The continued localized conflict coupled with the State of Emergency through April 2021 and fears of moving are expected to lead to limited movement and trade flows through at least Quarter 1 of 2021. The lack of communication services, electricity, and damaged infrastructure are expected to continue to lead to difficulty in households accessing their normal livelihoods.
- Economic activity is expected to improve somewhat as the military offensive has largely ended; however, with the anticipated continuation of the state of emergency coupled with damaged infrastructure, some disruption to the movement of people and goods is likely through at least Quarter 1 of 2021.
- Market supplies are expected to remain low. Many households are likely to face difficulty selling their products for income and buy food and non-food items; however, some improvement is expected as lower levels of conflict will allow for some return to normal function, though remaining below-average.
- Staple food prices have already started to decline in Tigray, and prices slowly are expected to continue to slowly decrease as market supply improves; however, prices are expected to remain significantly above average. Prices of livestock and honey significantly decreased with the start of the conflict and are expected to remain lower than normal.
- The conflict severely impacted labor opportunities and engagement in self-employment opportunities, and these livelihood activities are expected to be restricted in the post-conflict months. As a result, income is expected to be limited.
- Due to the expected severity of the food security conditions in western Ethiopia and Tigray, and given the ability of the government to assist, worst-affected areas will most likely be prioritized for a response; however, there are likely to be some delays in assistance delivery, especially in Tigray as government systems are needed for assistance distribution.

- PSNP distributions are likely to be limited in the short-term as the resumption of delivery, which requires federal government funds, will depend on the implementation support of the regional government.

PROJECTED OUTLOOK THROUGH MAY 2021

The impacts of conflict in Tigray and bordering areas of Amhara and Afar are expected to continue as it will take time to restore the market function and trade systems to normal levels. As a result, as household food stocks are depleted, more people are expected to face food consumption gaps with much of Tigray, notably central and eastern areas, northeastern Amhara, and Afar, expected to face Crisis (IPC Phase 3) outcomes, with some households in Emergency (IPC Phase 4) across many areas through at least May 2021. Continued disruption to markets and declines in household food stocks are likely to lead to many households engaging livelihood coping strategies indicative of Crisis or worse.

In areas of the Tekeze and Mereb River Catchments, where Emergency (IPC Phase 4) outcomes are expected into early 2021, access to food is expected to improve with economic activity, with households increasing their engagement in income-earning activities, which is, in turn, increasing market food access. Additionally, with the likely resumption of PSNP, food security outcomes are expected to improve slightly, with Crisis (IPC Phase 3) outcomes anticipated to emerge during the February to May 2021 period.

In Western Tigray, where economic activity is slightly better than in central and eastern areas, households are expected to meet most of their food needs with Stressed (IPC Phase 2) outcomes persisting. Anecdotal reports suggest that IDP in bordering areas of Amhara and Afar are also having difficulty accessing food and other basic supplies due to limited market activities with Tigray; Crisis (IPC Phase 3) outcomes are also likely among these populations.

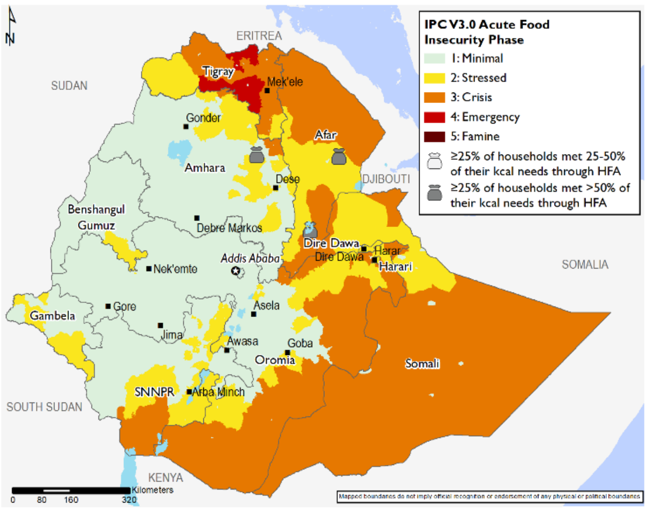
With the reduction in milk production due to shortages in pasture and water for livestock, declines in income from livestock coupled with the high and increasing staple food prices, many households are likely to continue to face difficulty meeting their food needs in southern and southeastern pastoral areas. As a result, Crisis (IPC Phase 3) outcomes are expected to persist. Sitti and Fafan Zones are likely to remain in Stress (IPC Phase 2) through May 2021 due to better livestock conditions, water, and pasture availability assisting many poor households to continue accessing somewhat better milk production.

Many households are expected to access their own foods through January 2021 in most parts of SNNPR and the western and central parts of Oromia and Amhara. This, coupled with the high staple food prices, also helps most households improve their purchasing capacity. As a result, most parts of these areas are likely to remain in Minimal (IPC Phase 1) or Stressed (IPC Phase 2). However, in February or March, as most households exhaust food from their production coupled with the continued low incomes and high food prices, most areas of SNNPR and some parts of Oromia along the rift valley areas are likely to face Crisis (IPC Phase 3) between the February and May 2021 period.

MOST LIKELY FOOD SECURITY OUTCOMES AND AREAS RECEIVING SIGNIFICANT LEVELS OF HUMANITARIAN ASSISTANCE

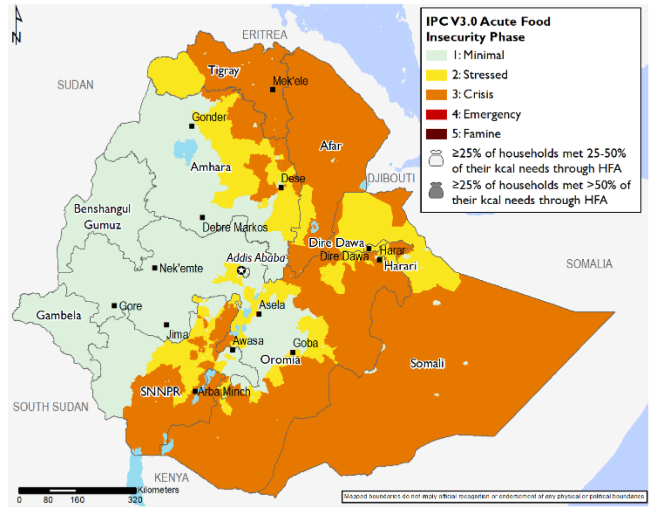
Each of these maps adheres to IPC v3.0 humanitarian assistance mapping protocols and flags where significant levels of humanitarian assistance are being/are expected to be provided. indicates that at least 25 percent of households receive on average 25–50 percent of caloric needs from humanitarian food assistance (HFA). indicates that at least 25 percent of households receive on average over 50 percent of caloric needs through HFA. This mapping protocol differs from the (!) protocol used in the maps at the top of the report. The use of (!) indicates areas that would likely be at least one phase worse in the absence of current or programmed humanitarian assistance.

Projected food security outcomes, December 2020 to January 2021



Source: *FEWS NET*

Projected food security outcomes, February to May 2021



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ABOUT THIS UPDATE

This report covers current conditions as well as changes to the projected outlook for food insecurity in this country. It updates the FEWS NET's Food Security Outlook, which is published three times per year. Learn more about our work here.