

NIGERIA Food Security Outlook Update

November 2011

Normal to above normal crop production as 2011 main harvest concludes across the country

Key messages

- The 2011 main harvest is average to above average across the country with production levels similar to the previous year. Livestock-to-cereal terms of trade remain favorable to the pastoral households. Over 80 percent of the households across the country are facing None or Minimal acute food insecurity (IPC Phase 1).
- Imports from the Sahelian countries, especially Niger, are ongoing and is expected to be above average between December and February as the Naira depreciates in mid-November against the CFA relative to the November 2010 value.
- Civil insecurity in Maiduguri in Borno state; Potiskum and Damaturu in Yobe state; and Kafanchan-Kaduna state continues, causing increased population displacement, substantial fatalities, and trade disruptions. Still, however, households are expected to remain in None to Minimal food insecurity (IPC Phase 1).

Update of the most likely scenario through March 2012

Preliminary findings from the annual agricultural performance survey, conducted by NAERLS-Ahmadu Bello University, Zaria in Kaduna state, and other government agencies, revealed a nationwide slight increase in food production compared to last year. Though more land was put under cultivation, the increase in production is marginal, attributed to low use of improved seeds, pests and diseases attacks, and the incidence of floods and dry spells across the country. Rice output in 2011 is approximately 4.56 million tons, similar to 2010 levels despite an increase in area planted from 2.55 million hectares in 2010 to 4.57 million hectares in 2011. This is likely a result of flooding. Maize production increased slightly from 9.0 million tons in 2010 to 9.4 million tons in 2011, while sorghum production declined from 7.02 million tons to 6.89 million tons over the same period. Millet production was impacted by the prolonged dry spells in the extreme north and declined from 1.38 million tons in 2010 to 1.27 million tons in 2011. Total production for millet, sorghum, maize, and rice, the most important cereal crops in the north, is estimated at about 22.1 million tons in 2011, slightly higher than 21.96 million tons recorded in 2010. Yam and cassava, the most important staple crops in the south, are estimated at 37 and 52 million tons respectively, similar to 2010 output levels. These findings corroborate the results of the Joint CILSS/FAO/FEWS NET/Government pre-harvest assessment mission, conducted within the last dekad of September, and signal good nationwide food availability.

This report provides an update to the October 2011 FEWS NET Food Security Outlook report which estimated food security conditions from October 2011 to March 2012.

Figure 1. Current estimated food security conditions, November 2011

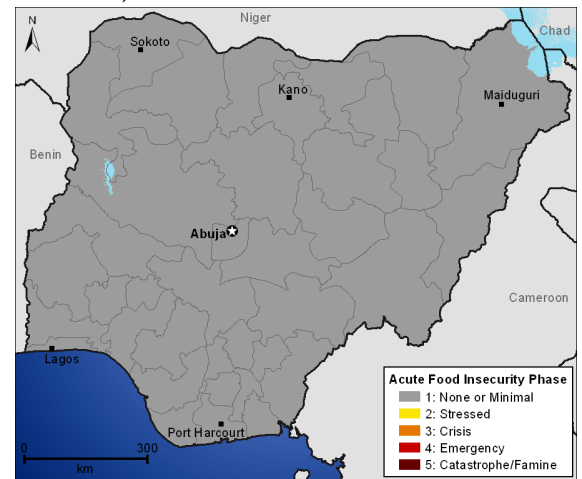
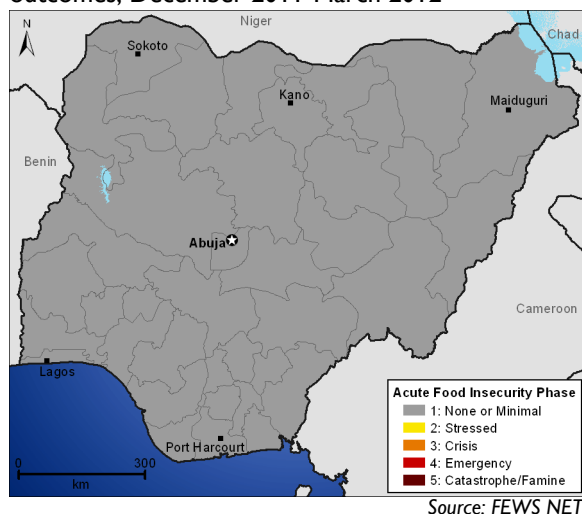


Figure 2. Most likely estimated food security outcomes, December 2011-March 2012



For more information on FEWS NET's Food Insecurity Severity Scale, please see: www.fews.net/FoodInsecurityScale

Northern Nigeria

In the north, food security conditions are improving gradually as the main harvest concludes in November/December, increasing market supply in both rural and urban markets and improving food availability and access for poor households. Food prices are seasonably low in most markets monitored by FEWS NET, particularly in the North Central and some parts of the extreme north not affected by drought. Over 80 percent of the population is able to meet basic food needs without resorting to negative coping mechanisms. The dry season farming and fishing activities will start normally between November and December, extending beyond April in most areas due to the high water levels in local rivers and ponds. With the exception of areas affected by drought and civil insecurity, food security conditions in Northern Nigeria are stable.

Due to the reduction in millet production in the extreme north, a major millet-surplus zone for the country, millet flows to the North Central states and to the South will be below average. This will also have a marginal impact on household millet stocks for most rural poor households in the north. Moreover, millet, sorghum and maize prices are relatively high in drought-affected areas. The price of millet in mid-November is high for this time of year at NGN 6,300/100kg in Geidam in Yobe state and NGN 6,800/100kg in Shinkafi in Zamfara state. Sorghum prices were also high in Geidam market by mid-November, at NGN 5,000/100kg compared to NGN 4,000/100kg at the same time last year. Diesel prices are also high and contribute further to high food prices. Poor net-purchasing households will cope with high prices through intense fishing and dry season farming activities, coupled with the sale of small ruminants and cash crops such as sesame and groundnut. Other poor and very poor households will resort to normal migration to urban areas for labor opportunities and food. These strategies are expected to be sufficient to cope with high millet prices in localized areas in northern Yobe, Borno and Jigawa states in the northeast and Sokoto, Kebbi and Zamfara states in the northwest, meaning households in this region will remain at None to Minimal food insecurity (IPC Phase 1) despite the drought.

Civil insecurity in the north continues to intensify in localized rural and urban areas. The recent inter-communal conflicts in Kafanchan-Kaduna state on November 9th and the religious insurgency in Maiduguri (Borno state) and in Damaturu and Potiskum (Yobe state) on November 4th and on November 21st in Plateau state resulted in further displacement of households and substantial fatalities. The risk of reprisal attacks has increased the cost of trade, including of food. The Government and NGOs will provide short-term assistance such as shelter, medication, sanitation, food, and water to the displaced poor households, while others will stay with relatives and friends and will mainly resort to the dry season activities to earn income and cope with high prices. With the assistance and coping mechanisms, households are expected to stay in minimal food insecurity levels.

Despite agricultural production deficits in western Niger, localized areas of Burkina Faso, and Sahelian Chad, agricultural production in the eastern market basin of West Africa (Niger, Nigeria, Chad, and Benin) is average both in each country and within the market basin. Given current exchange rates and trade policies, cereal export demand from Nigeria to the rest of the eastern market basin is not expected to be significantly different than usual. However, the increased demand for maize by traders from Ghana and Côte d'Ivoire due to high global maize prices will further increase demand for food from Nigeria. Furthermore, the Nigerian currency depreciated in mid-November relative to the November 2010 rate, providing an incentive for traders with XOF to purchase from Nigeria. The Nigerian traders have recently observed a free and easy trade flow to Niger, devoid of the usual difficulties, which will lead to substantial food movement into Niger between November and March.

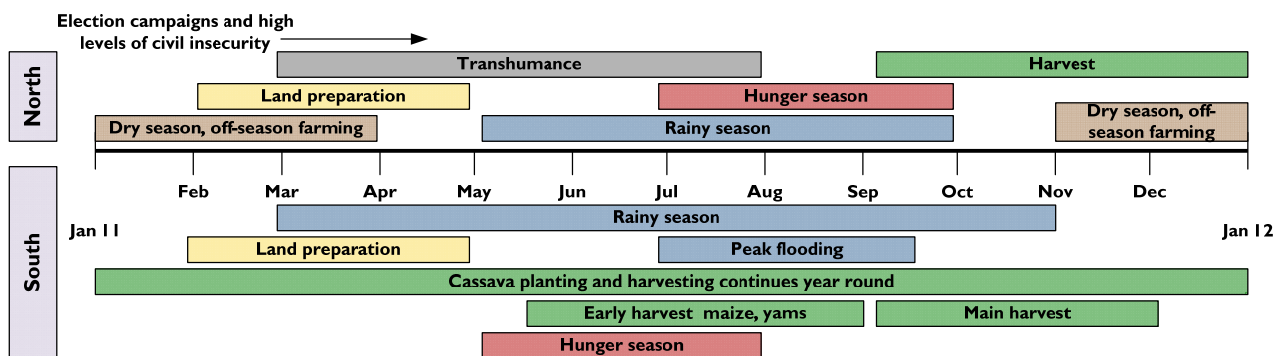
The high livestock prices during Tabaski are expected to remain through the Christmas holiday. In the extreme north, sheep and goat prices increased by 22 and 42 percent respectively during Tabaski in early November relative to October. The livestock-cereal-terms of trade are favorable for livestock sellers during the November period and will likely persist through December. Due to the low pastoral resources in neighboring Niger and Chad Republics, the usual trans-border movement of pastoral households and sales of livestock will start normally in March/April with flows expected to be above normal, leading to high concentration of livestock and an early exhaustion of pastoral resources in the pastoral rangelands in Sokoto-Rima River basin, Hadejia-Jama'are River basin, and Lake Chad Basin areas. Domestic livestock prices may decline seasonably due to increased market supply in March/April. Most pastoral households will move southwards in search of pastoral resources earlier than normal, while some are expected to stay at homestead through April, as in a normal year, increasing milk access and improving nutrition.

Southern Nigeria

In the south, food security conditions remain favorable due to average to above-average tuber and cereal crop production, seasonably high household stocks, relatively low food prices, and good prospects for dry season farming and fishing activities. The seasonably stable food prices at high levels, in November during Tabaski will persist through December during the Christmas holiday. Prices for staple foods such as yam, gari and maize have been stable on Bodija market in Oyo state through mid-November. Food prices will generally decrease in January by about 15 to 20 percent as harvest reaches most markets and household demand declines. Domestic trade of food crops between the north and the south is expected to be slightly below normal, due to high volume of trade with the Sahelian countries between December and March. However, livestock trade may be above normal due to increased supply from the Sahelian region, impacting domestic livestock prices during March/April period. This is due to the reduced informal fuel demand from Chad and Niger as oil production begins in their respective countries. As a result, food supply will be near normal in most local and urban areas of the south. Given the favorable production and good market linkages, most poor households in the south will face None or Minimal acute food insecurity (IPC Phase 1) through March.

The areas of food security concerns are the flood-affected parts of Oyo, Ogun, Lagos, Delta, Cross-River, Anambra, Ebonyi and Imo states. As poor households continue to recover from the impact of the July to September peak flooding, civil insecurity (kidnapping, oil bunkering and robbery attacks) continues in the south, particularly in the Niger Delta region, maintaining a high cost of trade. The persisting insecurity could affect the normal dry season cultivation and fishing activities in the area during December to March period, limiting poor households’ resilience to recover food losses due to flood. In the south, most poor households have the capacity to cope due to high remittances, available food substitutes, high unskilled labor opportunities, and good market linkages, keeping them food secure through March.

Seasonal calendar and critical events



Source: FEWS NET