

*Staple food import levels improve in March, but scarcity of cooking gas a concern*

**KEY MESSAGES**

- Large populations in Yemen continue to face Crisis (IPC Phase 3) or Emergency (IPC Phase 4) acute food insecurity. As worst-affected households begin to exhaust their coping capacity, populations may begin to move into Catastrophe (IPC Phase 5) even in the absence of additional disruptions.
- 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).
- National imports of wheat and market-level availability of wheat flour improved in Yemen during March 2018, but a sharp decline in the availability of cooking gas has been reported. Meanwhile, staple food prices have increased by 20 to 30 percent compared to pre-blockade prices in October 2017.

**CURRENT SITUATION**

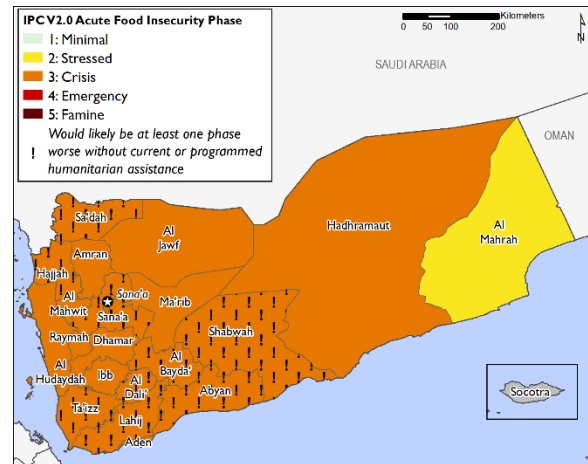
*Conflict and displacement*

- Widespread conflict events, including both airstrikes and armed clashes, continue throughout Yemen, particularly in western areas. According to the Shelter and Camp Coordination and Camp Management clusters, new displacement continues to occur in Yemen, particularly along the western coastal areas. Between December 2017 and mid-April 2018, approximately 19,145 households were displaced by conflict in or near Al Hudaydah, Ta'izz, Ibb, Abyan and Lahij governorates.

*Macroeconomic conditions*

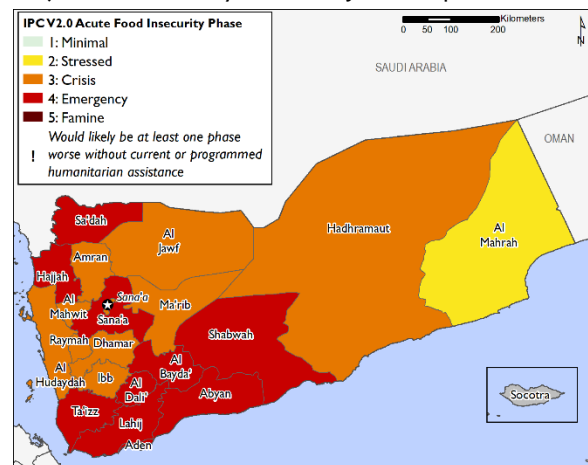
- Yemen continues to face significant macroeconomic difficulties. In March, for example, the **Central Bank in Aden** stopped carrying out financial operations for several days to a lack of liquidity. In mid-March, the Central Bank in Aden also reported that it received US \$2 billion pledged in early 2018 by Saudi Arabia in order to help offset critically low levels of foreign exchange reserves.
- According to the FAO/FSTS, the average exchange rate of the Yemeni Riyal against the US dollar on the parallel markets monitored by FAO (in Sana'a, Aden, Al-Hudaydah, Taiz, Dhamar, Shabwa, Al-Baidha, Hadrmout, Ad-Dale, Abyan, Lahj, Ibb, and Hajjah) was 488 YER/USD in March 2018. The YER lost about 2 percent of its value compared to February

Projected food security outcomes, April to May 2018



Source: FEWS NET

Projected food security outcomes, June to September 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.

2018, and 127 percent compared to the pre-crisis period.

#### *Staple food imports*

- Import data from the United Nations Verification and Inspection Mechanism for Yemen (UNVIM), the Red Sea Ports Authority, and Yemen Gulf of Aden Ports Corporation suggest that total national maritime imports of wheat flour, the primary staple cereal in Yemen, generally decreased between November 2017 and February 2018, before rebounding in March 2018. Official data suggest total national wheat flour imports in November 2017 were near monthly import requirements (approximately 266,000 MT/month), before declining to as low as 50 percent of requirements in February 2018. In March 2018, the data suggest that wheat flour imports increased significantly and were at or near monthly requirements. Ship tracking data similarly indicate a reduction in the number of bulk carriers through February and an increase in March, although the magnitude of these month-on-month fluctuations was less significant.

#### *Fuel imports*

- Information from UNVIM and shipping companies suggest the amount of fuel imported through the Red Sea ports increased from 129,310 MT in February and to 164,268 MT in March 2018. Fuel imports in March 2018 were approximately seven percent lower than in October 2017, prior to the blockade. In addition, fuel imports through the port of Aden more than doubled according to the Gulf of Aden Ports Corporation, from 153,927 MT in February to 318,025 MT in March 2018. Together, these suggest that national fuel imports increased substantially in March, aggregate supply likely remains well below national consumption needs.

#### *Commodity availability on markets*

- The availability of wheat flour improved on markets in Yemen during March 2018, but a sharp decline in the availability of cooking gas has been reported, according to WFP's Market Watch [report](#) for March 2018. In March, wheat flour was reported to be "available" (the highest of five rankings) or "widely available" (the second highest of five rankings) in 15 of 22 governorates, compared to just seven governorates three months ago. However, cooking was reported as "not available" (the lowest of five rankings) or "mostly not available" (the second lowest of five rankings) in nine of 22 governorates in March. This marks a sharp decline since February, when cooking was reported as "sparsely available" (the third highest ranking) or "available" on all markets. WFP indicates that the scarcity of cooking gas was reportedly due to a decision by authorities in Sana'a to institute a low, fixed price for cooking gas, which large-scale traders refused to implement. This reportedly resulted in severely low amounts of supply to markets.

#### *Wheat flour prices*

- Wheat flour prices remain above average across major markets in Yemen, and have remained stable or increased on most markets in recent months. According to WFP price monitoring, on the major import and consumption markets of Sana'a City, Aden, and Al Hudaydah, wheat flour prices were 35 to 53 percent higher in March 2018 than in the months prior the conflict in March 2015, and were 18 to 31 percent higher than in October 2017 before the blockade. In general, wheat flour prices in almost all governorates continue to closely follow trends observed in the major import and consumption markets, except on Al Ma'effer market in Ta'izz and Attaq market in Shabwah, where prices remain volatile.

#### *Fuel prices*

- Fuel prices on most markets were either stable or decreased between January and March 2018, but they remain more than double pre-conflict levels. The exception is in Raymah Governorate, where in March fuel prices increased significantly compared to February. Furthermore, diesel, gasoline, and cooking gas prices in March 2018 were 33, 30, and 9 percent higher than in October 2017, prior to the blockade.

#### *Sources of food and income*

- Starting in the last week of March, UNICEF began conducting the second round of World Bank-funded transfers (primarily in cash) to former Social Welfare Fund (SWF) beneficiaries in 333 districts in 22 governorates. These transfers are targeting 1.5 million households, or approximately 8 million people, as beneficiaries. Nearly one-third of these

distributions were reported to have occurred by the first week of April. 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. The average assistance for January, February, and March 2018 that WFP provided was close to 6.5 million people including GFD and CV-MT, almost the same total number of beneficiaries that were targeted in December and November 2017. According to [OCHA](#), partners reported that as of February 2018, more than 1.2 million people in need reside in areas most difficult areas to reach. Partners reported facing “high access constraints” in 32 districts, “medium access constraints” in 115 districts, and “low access constraints” in 182 districts.
- At the Yemen Donors meeting in Geneva on April 3, 2018, a total of approximately US \$2.01 billion was pledged for humanitarian response in Yemen, which would cover almost 70 percent of funding requirements for the 2018 Yemen Humanitarian Response Plan (YHRP). Among other response programming, this plan calls for provision of assistance to 8.8 million people in the form of emergency in-kind food assistance, cash and voucher transfers, and cash for work.

#### *Food Security and Nutrition Indicator Data*

- According to WFP/mVAM reporting at the national level in Yemen, the proportion of survey respondents reporting having “poor” or “borderline” food consumption has declined by approximately 10 percentage points between December 2017 and March 2018. The same trend is observed among respondents reporting “poor” food consumption alone, suggesting it is possible that severe food insecurity may have declined among survey respondents in recent months. At the national level, the proportion of respondents reporting “poor” food consumption (approximately 16 percent of respondents) is the lowest level reported in the August 2015 to March 2018 mVAM dataset. However, little to no decline in households reporting “poor” food consumption has occurred in recent months in Ta’izz and Raymah governorates, where levels remain particularly high. In addition, the mean reduced Coping Strategies Index (rCSI) reported at the national level has remained similar to December 2017.
- Partner reports suggest that many households continue to employ livelihoods- and consumption-based coping strategies. For example, recent rapid assessments conducted by Danish Refugee Council indicated that households (including resident, IDP, and refugee households) in Shabwah are relying on consumption of less preferred and less expensive food, borrowing food, relying on help from friends and relatives, restricting consumption by adults, limiting portion size at mealtimes, reducing the number of meals eaten in a day, and to a lesser extent, sending children to work. In parts of Lahj governorate, DRC reported that IDP and host households are borrowing money or goods, selling or exchanging personal possessions or productive assets, reducing the expenditures on food, depending on the humanitarian assistance, reducing expenditures on health, and relying on assistance from friends.

## **UPDATED ASSUMPTIONS**

Assumptions made in the [Yemen Food Security Outlook for February to September 2018](#) remain unchanged, except for the following:

- FEWS NET assumes provision of humanitarian assistance will continue at current levels through mid-June 2018. However, given uncertainty with regard to assistance funding after June, no humanitarian assistance is assumed between July 2018 and September 2018.

## **PROJECTED OUTLOOK THROUGH SEPTEMBER 2018**

- The ongoing food security emergency in western Yemen is likely to continue to drive very high assistance needs through at least September 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. Governorates where humanitarian assistance is playing a key role in preventing worse food security outcomes (including Abyan, Lahj, Aden, Ad Dali, Al Bayda, Hajjah, Sa’ada, Shabwah, and Ta’izz) will likely deteriorate into Emergency (IPC Phase 4) in the absence of continued assistance between July to September 2018.

- While agricultural harvests will take place between July and September 2018 in the Central Highlands and the Eastern Plateau zones, these harvests are not expected to significantly improve food security outcomes at the area level, given the small-scale nature of cereal production in Yemen and the fact that these harvests will be below average due to a lack of availability and/or access to inputs and limited access to fields in conflict zones. Given lower impacts of the conflict on household livelihoods in the governorate 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.
- In the event significant declines in commercial imports below requirement levels and a prolonged, sustained disruption to imports through Al Hudaydah and Salif ports were to occur in a worst-case scenario, Yemen would face a risk of Famine (IPC Phase 5), given that the other ports in Yemen have limited offload and storage capacity and that the potential for overland trade to offset the decline in maritime imports is extremely low. The prospect of increased conflict that could damage port facilities at Al Hudaydah and Salif ports is also very concerning. These ports are the entry point of about 70 percent of all food imports into Yemen. Given that imports by humanitarian actors likely make up less than one quarter of total formal cereal imports into Yemen, it is very unlikely that the humanitarian community or overland imports from neighboring countries would have the capacity to fill the very large import gaps that would exist in this scenario.

**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](#).