Managing the 2004/05 West African Food Crisis: Why were the Outcomes So Different in Niger and Mali?

John Staatz (staatz@msu.edu) & Valerie Kelly (kelly@msu.edu)
Food Security III Cooperative Agreement
Michigan State University
Salif Sow & Patricia Bonnard
FEWS NET

Presentation to USAID/EGAT, AFR, and DCHA
Washington, March 1, 2006

It happened AGAIN last year
Reuters AlertNet - FIND A CHARITY: Aid groups respond to Niger food crisis - Netscape

Background

- Global food crisis hits critical level
- FIND A CHARITY: Aid groups respond to Niger food crisis
- FACTBOX: Key facts about Niger's food crisis
- FEATURE: Niger's food crisis unfolded

LONDON [AlertNet] - Following is a list of non-governmental organizations responding to humanitarian needs in Niger.

While every effort has been made to provide as comprehensive a list as possible based on the latest information, it may not be complete.

Alertnet member NGOs involved in relief work in the region that are not included are urged to write to us at alertnet@reuters.com and publish information directly on the NGO latest.

For contact details of Alertnet members please click on the links to the right. You can also search for relief organizations using our NGO Directory in the left-hand navigation bar.

Action Against Hunger

At the end of July 2003, ACF will begin providing food for about 20,000 families and treating malnutrition in 27,000 children under five years old. ACF is working in the Ousso, Kelba, Melay and Takaou region.

Acted by: Chevrefeuille (ACT) - Switzerland
ACF members Swiss Church Aid (HEKS) and Lutheran World Relief (LWR) team experts work in host by hosts across HEKS.

Oxfam International - Oxfam: Rich countries ignoring food crisis in Mali - Netscape

Oxfam Press Release - 03 August 2003

Oxfam: Rich countries ignoring food crisis in Mali

Over one million people in Mali are at risk of a major food crisis gripping West Africa because rich countries have not responded to the call for emergency funds, warned international aid agency Oxfam today.

Only a fraction - 14 per cent - of the $7.4m requested by the World Food Program to avert the crisis in Mali has been received since the appeal was launched in December 2004.

By contrast, in neighboring Niger, the World Food Program appeals of $7 per cent funded, with more money on the way, following intense media coverage over the last two weeks. 3.5 million people are facing a major food crisis in the country.

"Now that the media spotlight is focused on Niger, the world has finally started responding to the crisis there. But food is not just about Niger. This food crisis is affecting countries across West Africa, particularly Mali. The Mali government, international donors, and the World Food Program have started distributing food, but it is not enough. Donors have a window of opportunity. They can help to avert a major food crisis in Mali, otherwise they must act now," said Nathalia Kolo."Kwita Oxfam's Regional Director for West Africa.

1.1 million people in Mali are at risk and, despite the efforts of the country's government, the World Food Program and NGOs, the most remote nomadic communities are still not getting the help they desperately need. The most affected areas are Timbuktu, Gao and Kati in the north of the country.

Oxfam's bad support program in the Gao region in northern Mali was launched in March and will benefit 50,000 people. Work has also been done to prepare people for the possibility of another locust invasion.

"Governments must step upISTIC the World Food Program appeal for more aid immediately. Every moment that they delay, more lives are put at risk," said Kwita.
The West African Food Crisis

Poverty Indicators (2003)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Niger</th>
<th>Mali</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per capita income</td>
<td>$220</td>
<td>$300</td>
</tr>
<tr>
<td>Life expectancy at birth</td>
<td>46.4</td>
<td>40.6</td>
</tr>
<tr>
<td>Under 5 child mortality rate per 1000</td>
<td>262</td>
<td>220</td>
</tr>
<tr>
<td>Ranking: UN Human Dev. Index (out of 177 countries)</td>
<td>177</td>
<td>174</td>
</tr>
</tbody>
</table>
Severity of the Crisis in Niger and Mali

- **Niger:**
  - In June, 2005, 3.6 million affected by crisis; 800,000 severely food insecure (FEWS NET)
  - FEWS NET rated the situation as an emergency throughout most of 2005

- **Mali:**
  - More ambiguity about severity of the crisis:
    - In June, 2005, Oxfam estimated 1 million Malians “at risk.”
    - No FEWS NET alerts throughout the year
  - High prices, significant hunger, but not the high spike in mortality seen in Niger

Niger’s Weak Resource Base
Nature of the Crisis in Niger

- NOT a disappearance of food
- The Perfect Storm:
  - Widespread & increasing poverty
  - West Africa-wide shortfall in grain and pasture production (drought & locusts)
    - Grain production fell by 11% relative to 5-year average.
    - Substantial, but localized destruction of pastures by locusts
  - Higher transport costs due to increase in fuel prices
  - Led to two food crises:
    - An income collapse, especially for pastoralists who did not migrate in time
    - A pricing of the poor out of the market, especially in the more commercialized areas along the Nigerian border

The 2005 Price Crisis in Niger

Source: Bulletin Afrique Verte et SILMA as presented in Terpend (Dec. 2005)-WHO, CILSS & FEWS NET
Role of Nigeria: The Giant Next Door

- 10x the population; 8x the grain production
- Price increases in Nigeria due to:
  - Production falls in Nigeria and in neighboring countries (e.g., Chad)
  - Increased food aid local procurement (e.g., for Darfur)
  - Nigeria’s policy reactions to short production
    - Buying for national security stock
    - Border restrictions

Role of Nigeria: The Giant Next Door

- Agricultural protection policy
  - Overseas grain imports restricted (e.g., rice), leading to a shift in demand for coarse grains.
  - Ban on poultry imports → increase in maize demand

- Appreciation of the Naira

Net effect: Trade reversal

Compounded by trade restrictions by Burkina & Mali
Managing the Crisis in Niger

- Poor public information regarding nature of crisis → speculative buying
- Political denial and disputes between government & NGOs (especially MSF) on size & severity of the problem
- Local purchases by WFP & others contributed to price spike in July
- Donor attention was elsewhere (tsunami)

Result: Many poor were priced out of the market

The Crisis in Mali

- Faced many similar conditions to Niger:
  - Widespread poverty, but somewhat better growth record
    - At least 30% of Malian children show signs of long-term malnutrition
    - Also had suffered 2003 shock
  - Similar shocks: drought, locusts & higher transport costs
  - Doesn’t live next to Nigeria, but does live next to Cote d’Ivoire
The Crisis in Mali

- Also faced currency depreciation
- Had new Food Security Commission (CSA) that had mandate to manage the crisis

Like Niger, Mali faced sharp price spikes for both coarse grains and rice
- Production shortfall
- Export demand
- Local purchases for food aid
What was different in Mali?

- Political leaders acknowledged & embraced the crisis—took early action:
  - Geographically targeted food aid distributed to hard-hit areas beginning in Oct. 2004 (to stabilize the population)
  - Subsidized grain sales by OPAM in hard-hit areas
  - Actions to generate local incomes in affected areas
  - Cereals banks in outlying zones of urban areas
  - Early actions took place outside of “normal” channels (PRMC) & were initially opposed by some donors
  - Important psychological effects of early action

What was different in Mali?

- Had better information base, which reduced panic buying
- Gov’t engaged the private sector as an ally, focusing on imports rather than local purchases.
- Began community-level food security planning to address the problem on a long-term basis
- Result: Many people suffered, but no widespread starvation, and the basis is being laid to reduce frequency of future crises
Building Long-Term Food Security: Development of Local Food Security Plans

- Aim is to help Mali’s 703 communes, 49 cercles, & 8 regions develop their own food security programs
- Based on 3 pillars of food security:
  - Availability
  - Access
  - Utilization

Regions Covered

- 2004-2005: Gao and Sikasso
- 2005-2006: Mopti, Tombouctou, Kayes and Kidal
Facilitating the Development of Local Food Security Plans

Training of trainers (mayors, CCC, women’s group leaders, local press) in concepts of food security

- They in turn return to local communes to work to:
  - Establish priorities
  - Inventory local resources & projects
  - Identify gaps

Commune plans are then brought together at cercle & regional levels

Aim: Link locally defined priorities to nationally funded programs Put local people in charge of the agenda.

Multidisciplinary approach, involving economics, agriculture, governance, health, etc.
Facilitating the Development of Local Food Security Plans

- Enthusiastically received at local levels
- Examples of constraints cited:
  - Bad water
  - Weak land & tree tenure by women
  - Problems of access to inputs
- Examples of emerging proposals

Mali: Looking forward through 2006

- Local planning continuing
- Traumatic effect of 2005 on policy makers
- Heavy buying to reconstitute public and communal stocks
- More resources to build public stocks outside of donor-GOM framework
- Election year in 2007
- Avian influenza
Lessons Learned

- Tools for local crises not sufficient for region-wide crises
- Early intervention helps → Need good information and analytic base
- Access problems can arise with well-functioning markets: Problems of persistent poverty rather than just market failure
- Designing market-friendly food security policies remains a challenge

Thank you!