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# Pakistan Food Security Bulletin
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The Pakistan Food Security Bulletin is produced by the Vulnerability Analysis and Mapping (VAM) Unit of the World Food Programme as a contribution to periodic food security monitoring in the country.

### Highlights

- According to the Food Security and Nutrition Strategic Review for Pakistan, food insecurity is among the greatest challenges for Pakistan. The overall Prevalence of Undernourishment (PoU) is estimated to be about 18 percent of the entire population.
- Preliminary findings of IPC Chronic conducted for 18 districts of Sindh province rank 7 districts in Level 4 *(Severe Chronic Food Insecurity)*, 10 in Level 3 *(Moderate Chronic Food Insecurity)*, 1 in Level 2 *(Mild Chronic Food Insecurity)* while no single district in Level 1 *(Minimal Chronic Food Security)*.
- Initial findings of IPC Acute Analysis conducted in 4 drought prone districts of Sindh province indicates 3 districts are in Phase 4 *(Emergency)*, and 1 district in Phase 3 *(Crisis)*.
- Total national wheat crop production for 2016-17 has been estimated at 25.75 million MT, showing a marginal growth of 0.4 percent from 25.6 million MT in 2015-16.
- Production of rice, the second main staple crop of Pakistan, has been estimated at 6.85 million MT (milled basis), reflecting a negligible increase by 0.7 percent from 6.8 million MT in 2015-16.
- Prices of staple crops (wheat, wheat flour) slightly decreased, and prices of several non-cereal food commodities significantly decreased. However, the prices of live chicken, cooking oil and vegetable ghee increased. The fuel prices slightly increased for both Super Petrol and HSD during January-April 2016, remained unchanged in May and slightly declined in June 2017.
- Terms-of-Trade (ToT) increased by 6.2 percent from December 2016 due to decreased wheat flour price.
- Some 29,398 families returned to their areas of origin in FATA during the reporting period, reaching a total of 424,525 families (90 percent of total). However, 29,398 families are still in displacement and the Government has announced to compete the return by December 2017.

## Situation Overview

According to Food Security and Nutrition Strategic Review for Pakistan, 18 percent[1] of Pakistan's population is undernourished. This PoU is ranked as "moderately high" according to the Global Hunger Map threshold.

The preliminary findings from the IPC Chronic Food Insecurity analysis of 18 districts of Sindh province rank 7 districts in Level 4 - *Severe Chronic Food Insecurity* including Tharparkar, Jacobabad, Badin, Thatta, Dadu, Jamshoro, and Shikarpur; 10 districts in Level 3 - *Moderate Chronic Food Insecurity*; 1 district in Level 2 - *Mild Chronic Food Insecurity*, while no single district in Level 1 - *Minimal Chronic Food Insecurity*.

The preliminary findings from the IPC Acute Food Insecurity analysis of 4 drought affected districts of Sindh province indicate that 3 districts (Tharparkar, Jamshoro, and Sanghar) are in Phase 4 -*Emergency,* while 1 district (Umerkot) in Phase 3 -*Crisis.*

Total national wheat production for 2016-17 is estimated at 25.75[2] million MT, negligibly higher by 0.4 percent than the 2015-16 level of 25.6 million MT. The production of rice, the second main staple crop of Pakistan, is estimated at 6.85[3] million MT (milled basis), negligibly higher by 0.7 percent than the previous year's production of 6.8 million MT.

Over the past six months, prices of major food commodities and fuel either remained stable or decreased with a few exceptional increases. The relatively stable prices have sourced some relief to the highly vulnerable population groups.

Owing to improved security situation in FATA region, 29,398 families have returned to their places of origin during the first half of 2017, reaching a total of 424,525 families reported to have returned as of 30th June 2017. However, 45,954 families are still in displacement[4].

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[1] IFPRI, AKU. A Strategic Review of Food Security and Nutrition in Pakistan, June, 2017, Islamabad, Pakistan.
[2] Economic Wing of Ministry of National Food Security & Research, Government of Pakistan. June 2017.
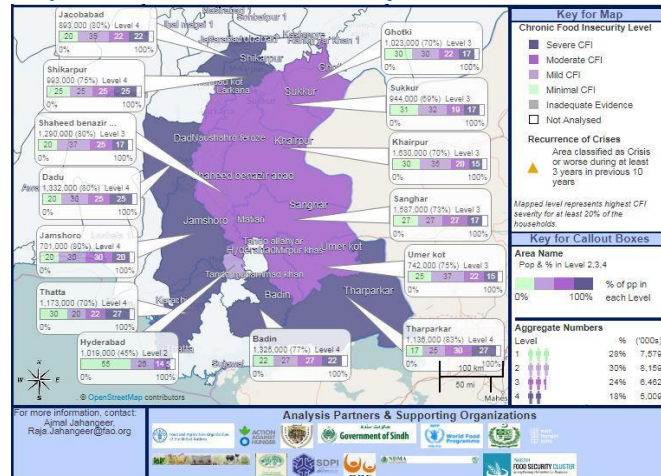[3] Ibid.
[4] UNHCR Factsheet, June 2017, Pakistan. (http://unhcrpk.org/wp-content/uploads/2013/12/2017-June-Factsheet.pdf)

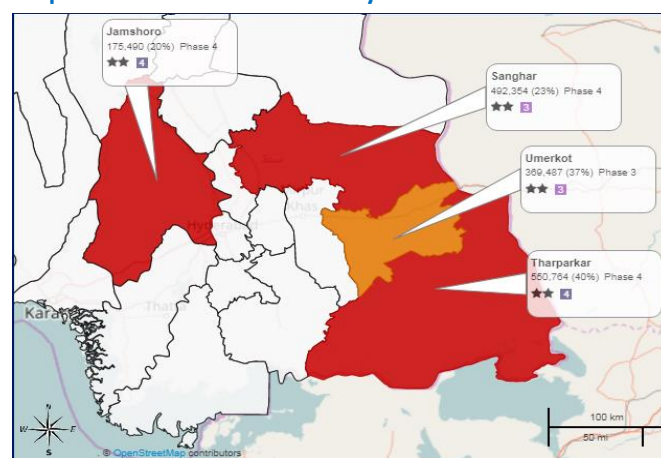## Integrated Food Security Phase Classification (IPC)

The IPC Chronic Food Insecurity focuses on the long-term persistent food insecurity and provides information to inform medium and long term strategic objectives. The IPC Chronic Food Insecurity analysis has been conducted for 18 districts of Sindh province during November 2016 - April 2017. The preliminary findings ranked 7 districts in Level 4 – *Severe Chronic Food Insecurity* including Tharparkar, Jacobabad, Badin, Thatta, Dadu, Jamshoro, and Shikarpur; 10 districts in Level 3 – *Moderate Chronic Food Insecurity*; 1 district in Level 2 – *Mild Chronic Food Insecurity;* while none in Level 1 – *Minimal Chronic Food Insecurity*.

### Map 1: IPC Chronic Food Insecurity in Sindh



The IPC Acute Food Insecurity analysis focuses on food insecurity at a specific point to inform short-term strategic objectives. Since May 2017, the IPC Acute Food Insecurity analysis has been also conducted for 4 drought prone districts of Sindh. According to the preliminary findings, 3 districts (Tharparkar, Jamshoro, and Sanghar) are classified in Phase 4 - *Emergency*, while 1 district (Umerkot) is in Phase 3 - *Crisis.*

### Map 2: IPC Acute Food Insecurity in Sindh



[5] Pakistan Economic Survey 2016-17, Ministry of Finance, Government of Pakistan.
[6] Ibid.
[7] Economic Wing of Ministry of National Food Security & Research, Government of Pakistan. June 2017.

## Crop and Livestock Production Situation

### Crop situation

Pakistan is an agricultural country. During last financial year, agriculture sector contributed 19.5 percent in gross domestic product (GDP) and it remains by far the largest employer, employing 42.3 percent of the country's total labor force[5].

The agriculture sector recorded a positive growth of 3.46 percent in 2016-17 against a target of 3.5 percent. The growth in crops is positive of 3.02 percent compared to the negative growth of 4.97 percent during last year due to better harvest of major crops[6].
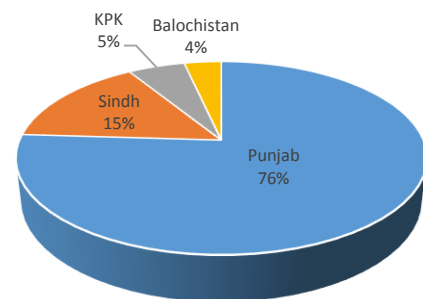
### Wheat production

The production of wheat for 2016-17 has been estimated at 25.75[7] million MT, which is marginally higher by 0.4 percent compared to last year's production of 25.6 million MT, despite the total area under wheat cultivation for 2016-17 has slightly decreased by 3.1 percent compared to last year.

The Economic Coordination Committee (ECC) of the Cabinet has maintained the wheat procurement price for 2016-17 at the 2014-15 level of PKR 1,300 per 40 kg.

There are significant geographic disparities in wheat production across the country. More than three quarters of the national wheat production come from Punjab province, followed by Sindh, Khyber Pakhtunkhwa and Balochistan[8] **(Figure 1)**.



Figure 1: Wheat production by province (2016-17)
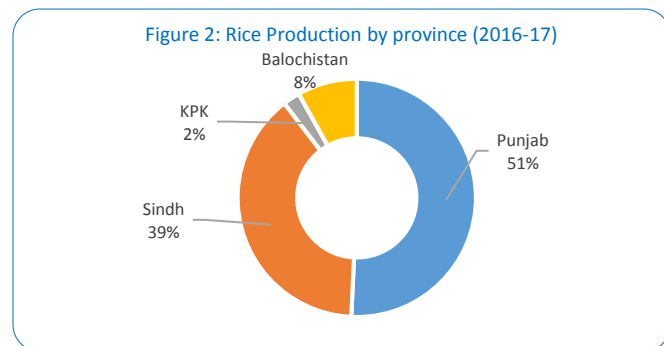
### Rice production

Rice is Pakistan's second most important staple and third largest crop in terms of area sown, after wheat and cotton. It accounts for 3.0 percent in the value added in agriculture and 0.6 percent of GDP[9].

[8] Ibid.
[9] Pakistan Economic Survey 2016-17, Ministry of Finance, Government of Pakistan.

During 2016-17, the rice production has been recorded at 6.85[10] million MT (milled basis), showing a negligible increase of 0.7 percent over last year's production of 6.80 million MT. It was sown on 2,724 thousand hectares compared to 2,739 thousand hectares last year, indicating a marginal decrease of 0.6 percent. The decrease in rice cultivated area is attributed to decreased economic returns to farmers on account of low rice prices and rising input cost.

**Figure 2** presents the share of the national rice production by province in 2016-17. Punjab and Sindh produce approximately 90 percent of total rice production[11].



Figure 2: Rice Production by province (2016-17)

- Balochistan 8%
- KPK 2%
- Punjab 51%
- Sindh 39%

## Livestock production

Livestock is an important sub-sector of the economy which provides livelihoods to over 8 million families who earn more than 35 percent of their income from livestock production. In 2016-17, livestock sector accounts for 58.3 percent of the value added in overall agriculture and 11.4 percent of overall GDP[12].

Major livestock products are milk and meat. During 2016-17, the gross production of milk and meat have increased by 3.2 percent and 4.8 percent, respectively, compared to 2015-16.

## Markets and Food Prices

During the reporting period, the market prices in Pakistan remained stable for most of the food products. The prices of wheat and wheat flour slightly decreased with the lowest prices being recorded during the harvest months, while the prices for rice *Irri-6* and rice *Basmati* increased. The prices of several non-cereal food commodities significantly decreased, with the exception of increased prices of live chicken, vegetable ghee and cooking oil.

### Staple prices (wheat, wheat flour, rice *Irri-6* and *Basmati*)

The prices of wheat and wheat flour remained stable with slight fluctuations during the reporting period. In June 2017 compared to December 2016, the prices of wheat and wheat flour slightly decreased by 5.4 percent and 5.2 percent, respectively. The peak price for wheat was reported at PKR 35.4 per kg in February 2017, while for wheat flour it was PKR 39.8 per kg in March 2017. On the other hand, the lowest price of wheat and wheat flour was recorded at PKR 33.2 per kg and PKR 37.7 per kg,
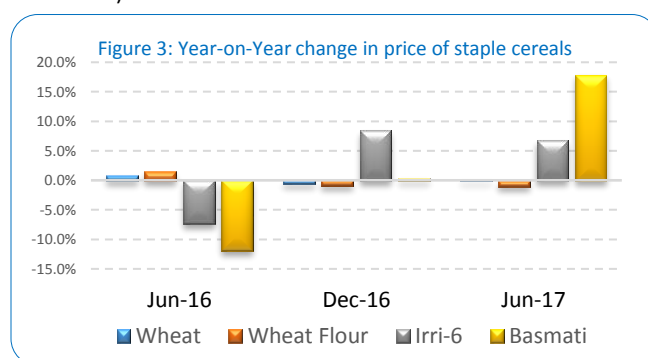
respectively, in June 2017, mainly due to arrival of the fresh (Rabi) harvest in the market.

On a one-year comparison with June 2016, the price of wheat negligibly increased by 0.2 percent while that of wheat flour decreased by 1.3 percent.

During the reporting period, the prices of rice *Irri-6* and rice *Basmati* slightly varied on a monthly basis. Compared to December 2016, the price of *Irri-6* in June 2017 slightly increased by 2 percent, while that of rice *Basmati* significantly increased by 14.5 percent.
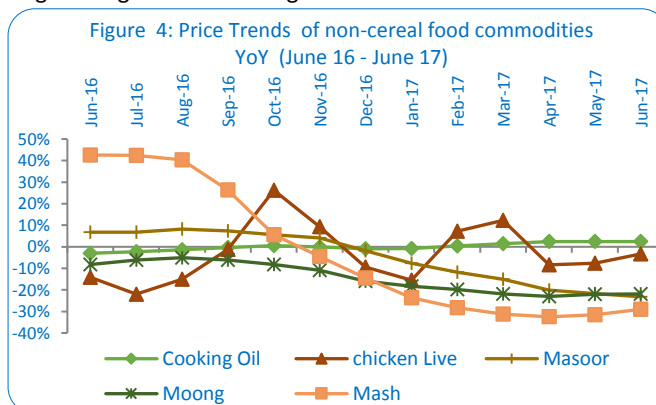
On a one-year comparison with June 2016, the price of *Irri-6* also slightly increased by 6.8 percent, while that of *Basmati* significantly increased by 17.8 percent[13].

**Figure 3** shows a Year-on-Year (YoY) percent change in the staple prices at three different points (June 2016, December 2016, and June 2017).



Figure 3: Year-on-Year change in price of staple cereals

Legend: Wheat, Wheat Flour, Irri-6, Basmati

### Prices of non-cereal food commodities (chicken, pulses, sugar, cooking oil)

**Figure 4** shows that the prices of the majority of the non-cereal commodities significantly decreased, except live chicken, vegetable ghee and cooking oil.



Figure 4: Price Trends of non-cereal food commodities YoY (June 16 - June 17)

Legend: Cooking Oil, chicken Live, Masoor, Moong, Mash

In June 2017 compared to December 2016, a decrease in the price was noted for lentil *Dal Masoor* (by 17 percent), *Dal Mash* (8.8 percent), *Dal Moong* (8.2 percent), and sugar (10.3 percent). Whereas, a significant increase was recorded for live chicken (17

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[10]Economic Wing of Ministry of National Food Security & Research, Government of Pakistan. June 2017.
[11] Ibid.

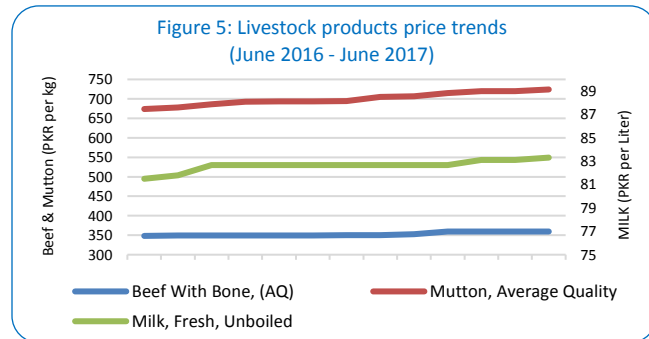[12] Pakistan Economic Survey 2016-17, Ministry of Finance, Government of Pakistan.
[13] Pakistan Bureau of Statistics.

percent), and a slight increase by 2% was reported for cooking oil and vegetable ghee.

On a one-year comparison with June 2016, significant price decreases were reported for pulse *Dal Mash* (by 29 percent), lentil *Dal Masoor* (23 percent), *Dal Moong* (22 percent), and sugar (12 percent). A slight decrease was reported for live chicken (3.3 percent). Whereas, the prices of vegetable ghee and cooking oil were recorded higher by 3.6 percent and 2.4 percent, respectively.

### Livestock and product prices

The prices of livestock and products slightly increased during the reporting period **(Figure 5).** In June 2017 compared to December 2016, the prices of mutton, beef, and milk slightly increased by 4.3 percent, 2.8 percent, and 0.8 percent, respectively.



Figure 5: Livestock products price trends
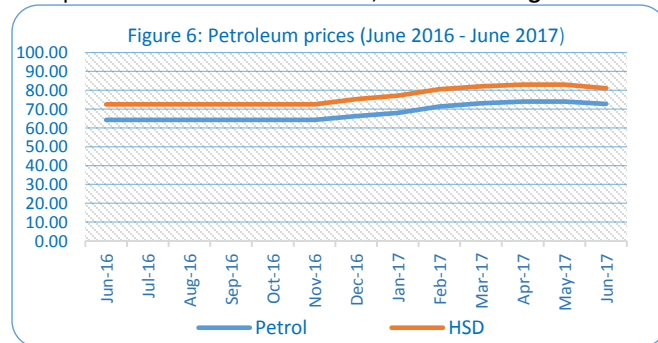(June 2016 - June 2017)

On a one-year comparison with June 2016, the prices of mutton, beef, and milk also slightly increased by 7.4 percent, 3.2 percent, and 2.2 percent, respectively.

### Fuel prices

The retail prices of Super Petrol and High Speed Diesel (HSD) steadily increased up to 4.8 percent for petrol and up to 4.2 percent for HSD during the first four months (January – April 2017). The prices remained unchanged in May and a slight decline of around 2 percent was recorded in June 2017.

On a six-month comparison with December 2016, the prices of Super Petrol and HSD slightly increased by 9.9 percent and 7.7 percent, respectively. Whereas, compared to a year ago (June 2016), a significant increase by 13.3 percent for Super Petrol and 11.7 percent for HSD was recorded, as shown in **Figure 6**.
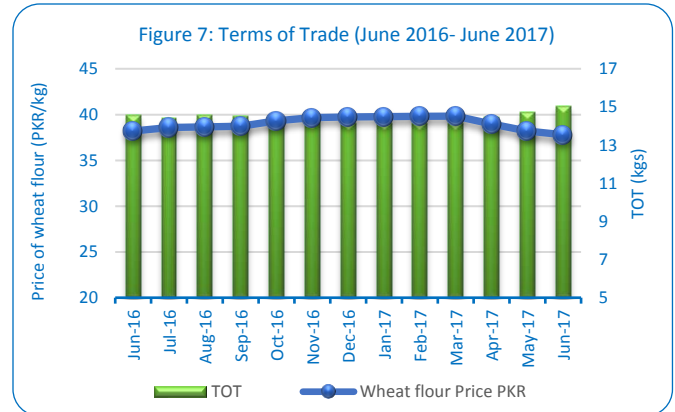


Figure 6: Petroleum prices (June 2016 - June 2017)

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## Terms of trade (ToT)[14]

The ToT is measured as the quantity of wheat flour that can be purchased with one day's income of an unskilled wage laborer[15]. **Figure 7** shows that the ToT remained stable during January – April, while slightly improved during May-June. In June 2017, it was recorded at 15 kg, indicating an increase by 6.2 percent from December 2016, mainly due to decreased wheat flour price.



Figure 7: Terms of Trade (June 2016- June 2017)

Compared to a year ago (June 2016), the ToT in June 2017 improved by 3.2 percent. This modest improvement in purchasing capacity suggests some improvement in the access to food amongst the highly vulnerable households whose main income comes from casual unskilled labor.

## In-depth Food Security and Livelihood Assessment of FATA Returnees

According to the recently launched final report on FATA In-depth Food Security and Livelihood Assessment of returned households conducted in February-March 2017 in 7 Agencies of FATA, there is a significant and consistent reduction in the overall food insecurity rate among the returned households from 44 percent in 2014 to 24 percent in 2017. The severe food insecurity rate declined from 5 percent to 1 percent, and moderate food insecurity rate from 39 percent to 23 percent.

However, food insecurity has increased and remains high in Orakzai Agency at 47 percent, North Waziristan at 42 percent and Mohmand at 40 percent.

The report highlights key challenges and provides broad recommendations for short-term, medium-term and long-term interventions.

Detailed findings are presented in the final report in this link:

http://vam.wfp.org.pk/Publication/FATA_Food_Security_Assessment_Report_2017.pdf

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## Livelihood and Food Security Assessment for Drought Affected Districts of Sindh

Tharparkar, Umerkot, and adjoining districts of Sanghar and Jamshoro in Sindh province are highly prone to drought and have persistently experienced a drought-like situation since 2013. Although the situation slightly improved in 2015-16, it stayed precarious requiring continuous monitoring for early warning and timely response planning.

Upon the request from PDMA, in April 2017, the Food Security Working Group of Pakistan carried out a detailed Livelihood and Food Security Assessment (LFSA) covering 1,573 households in these districts to generate representative results at the district level. The preliminary results show that overall 31 percent of surveyed households have poor food consumption, 26 percent fall in borderline category who may fall into poor category if situation deteriorates further or in the event of another major shock. Limited economic access to food remains a big concern and major challenge, with above half of the surveyed households (51 percent) spending a very high share (more than 75 percent) of their total household expenditure on food. This challenge is further confirmed by another fact that in order to cope with a lack of food or lack of money to buy food, 37 percent of the households reported adopting emergency irreversible coping strategies which will potentially keep nagging food security and livelihood situation in the future.

The Assessment recommends that households in Tharparkar and Sanghar districts would require immediate assistance to reduce high food insecurity and protect livelihoods, while those in Umerkot and Jamshoro districts would require medium to long term interventions to deal with structural causes of food insecurity.

Detailed report shall be available early September 2017.

## Food Security and Nutrition Strategic Review

The Strategic Review report was endorsed 'in principle' by the Advisory Group on 15th June 2017, and planning is underway for a launching ceremony tentatively at the end of August. The report states that Pakistan has made significant progress in food security and nutrition over the past decades, but cautions that this must not lead to complacency as the situation remains serious in many regards. For example, 44 percent of children are still afflicted by stunting and between 18 and 22 percent of the population still go to bed hungry every night.

The strategic review is an independent, analytical and consultative exercise to identify key challenges faced by Pakistan in achieving food security and improved nutrition, and provides prioritized areas for action for all humanitarian and development partners. The review process started in July 2016 and is overseen by the Government of Pakistan. Further to identifying major hurdles to achieving zero hunger in Pakistan, the report makes broad recommendations on how to overcome them.

## Disaster Monitoring

With improvement in the security situation in FATA, the majority of displaced families have returned to their places of origin. Some 29,398 families had returned between January to June 2017, bringing the total number of returned families to 424,525 families as of 30th June 2017. However, 45,954 families are still in displacement, and the government has announced to complete the return by December 2017.

During the reporting period, Balochistan was hit by multiple localised small scale disasters, namely heavy rainfall resulting in flash floods, snow and an earthquake of magnitude of 6.4 which has caused 20 deaths, damages to houses and a temporary disruption in access for small settlements.

At the request of PDMA Sindh, a joint UN observation mission was conducted to assess the impacts of long dry spell on agriculture (crop production and livestock), food security, health and nutrition and livelihood strategies of population and their coping capacity in three drought affected districts of Sindh province. The salient findings of the mission identified that Umerkot and Sanghar districts received less or limited rainfall during the 2016 monsoon compared to 2015, while Tharparkar district received more rainfall in the same period. Delayed or inadequate rains for agriculture resulted in lower yield compared to a normal year in Tharparkar and Umerkot districts. Thus, the overall food security and livelihood of the households in these areas was felt to be likely further deteriorated.

Moreover, fodder availability for livestock was also found to be inadequate in desert areas of Umerkot and Sanghar districts due to depleting grazing areas for livestock. Long dry spell has also caused a rise in livestock diseases and deaths in small ruminants requiring immediate attention.
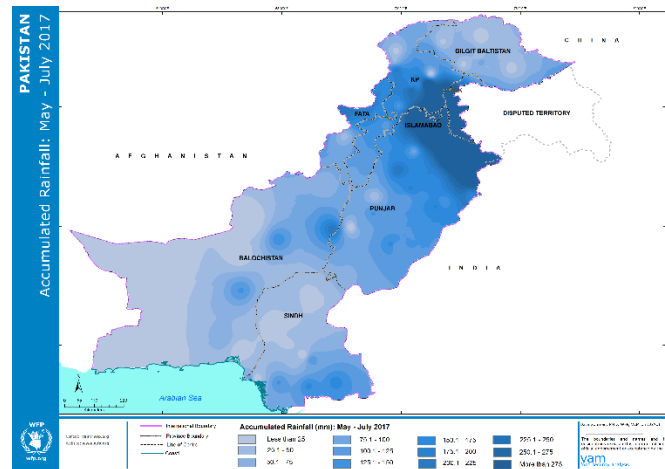
## Weather Outlook[16]

Pakistan experiences monsoon normally from July to September each year with variable intensity of rainfall. Based on the regional and global weather forecast, monsoon this year is normal in Pakistan with higher intensity of rains in early weeks of July which will gradually weaken after mid-August through September.

Three to four spells of heavy intensity of rainfall embedded with isolated extreme events are expected in upper Punjab, Khyber Pakhtunkhwa, Azad Jammu & Kashmir and Gilgit Baltistan. Whereas, one to two spells of light to moderate intensity are predicted in Sindh and Balochistan provinces during August and September.

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[16] The weather outlook is based on monthly data released by Pakistan Meteorological Department.

During the current monsoon season, Tharparkar, Umerkot and Sanghar districts of Sindh province have received a good amount of rains which will bring relief to these rain-deprived districts.

**Map 3: Accumulated Rain May – July 2017**



## Food security outlook

Food security outlook appears fairly comfortable on availability front due to enhanced production of major crops, positive growth in livestock, fisheries and forestry sub sectors.

Looking at the global level, the cereal supplies are likely to remain in excess in the 2017/18 season[17]. Meanwhile, Pakistan's estimated wheat ending stocks for 2016/17 are recorded at 4.25[18] million MT, and total estimated cereal production has increased by 0.3 percent at 41.5[19] million MT, thus, indicating a relatively promising outlook. Early projections for Pakistan have estimated a larger production in 2017.

As earlier mentioned, the Terms of Trade in June 2017 also slightly improved by 6.2 percent and 3.2 percent compared to December 2016 and June 2016, respectively, mainly due to decreased wheat flour price.

Notwithstanding the fair food supply conditions, other key structural factors including limited economic access to food mainly arising from persistent poverty, low education levels, shocks either natural or man-made, might aggravate the food insecurity situation of the poor and food insecure households, further deplete their coping capacity and limit their access to adequate nutritious food.

## Integrated Context Analysis (ICA)

The ICA is a programming tool that has been developed and tested by WFP during 2010-2015. It applies spatial analysis techniques and long-term trend analysis of multiple available

datasets to identify geographical overlaps of persistent food insecurity and different levels of natural shock hazards, and hence, inform medium-term and long-term programming and targeting.

The ICA in Pakistan has been implemented since November 2016 under the leadership of the National Disaster Management Authority (NDMA), involving WFP, FAO, relevant government line ministries and technical institutions. The district is a geographical analysis unit. Based on a combined level of *vulnerability to food insecurity* and two main natural shock hazards *(flood and drought)* derived from existing datasets, the ICA has ranked 123 districts of 4 provinces (Balochistan, KP, Punjab including Islamabad, Sindh) and 7 Agencies in FATA into nine different Areas and five Categories to inform broad programmatic strategies including Safety Net, Disaster Risk Reduction (DRR), Early Warning and Disaster Preparedness. Furthermore, the ICA has also overlaid each of selected core lenses (including the hazard of *soil erosion, landslide, Glacial Lake Outburst Flood-GLOF, earthquake and land degradation*) and additional contextual information (*dominant land cover, population density*) on top of the ICA Areas/Categories Map to help refine the above mentioned broad programmatic recommendations.

The ICA Technical Paper was endorsed by the Steering Committee on 14th June 2017 and recently finalized. The programmatic part of the ICA including programmatic consultations at provincial and national level and write-up of the Programmatic Recommendations will be completed in August. The full report will be finalized in September, and launching is planned for October 2017.

[17] Cereal Supply and Demand Brief, FAO, July 2017.
[18] World Agricultural Supply and Demand Estimates, USDA, June 2017.
[19] Crop Prospects and Food Situation, FAO, June 2017.