BULLETIN:
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Rwanda|Food Security Update

HIGHLIGHTS

In January, food and non-alcoholic beverages consumer price index was relatively stable with a decreasing trend compared to previous month, 5.3 percent lower than one year earlier and 30 percent higher than three years ago; which still compromises the poor's economic access to food.

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Season 2018 B rainfall, according to the 48th Great Horn of Africa Climate Outlook Forum (GHACOF) customized to local conditions, is expected to range from normal to below normal during March to May period.

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Maize grain farm gate prices are lower than MINICOM minimum floor prices in some locations; which in turn would translate into farmer disincentives.

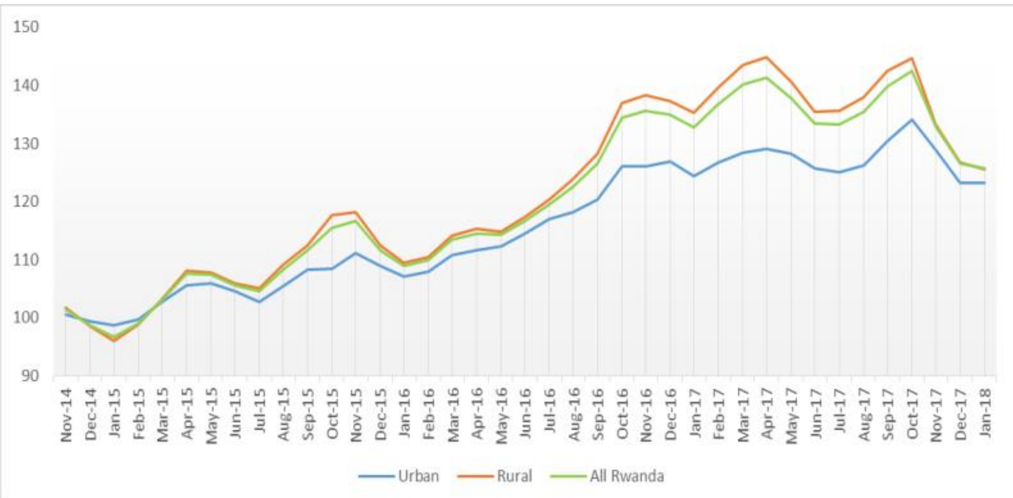
OVERVIEW

Food prices in January were slightly lower than previous month and same time last year, but higher than long term average for most starchy commodities, with implication on limited purchasing power of the poor: Figure 1 indicates that the food and non-alcoholic beverages consumer price index was relatively stable with a decreasing trend compared to previous month, 5.3 percent lower than one year earlier and 30 percent higher than three years ago.

Additionally, according to National Institute of Statistics of Rwanda (NISR), key staples had variable trends, whereby, beans, irish potatoes and maize prices ranged from normal to below their respective 5-year-averages, while cooking banana, sweet potatoes and cassava flour remained higher than average (Figure 2).

On food supply side, cheaper imports and availability of harvests contributed most to alleviated high price challenge.

Figure 1: Evolution of food and non-alcoholic beverages consumer price index



Source: Based on NISR CPI data (Base: 2014; Reference: February 2014=100)

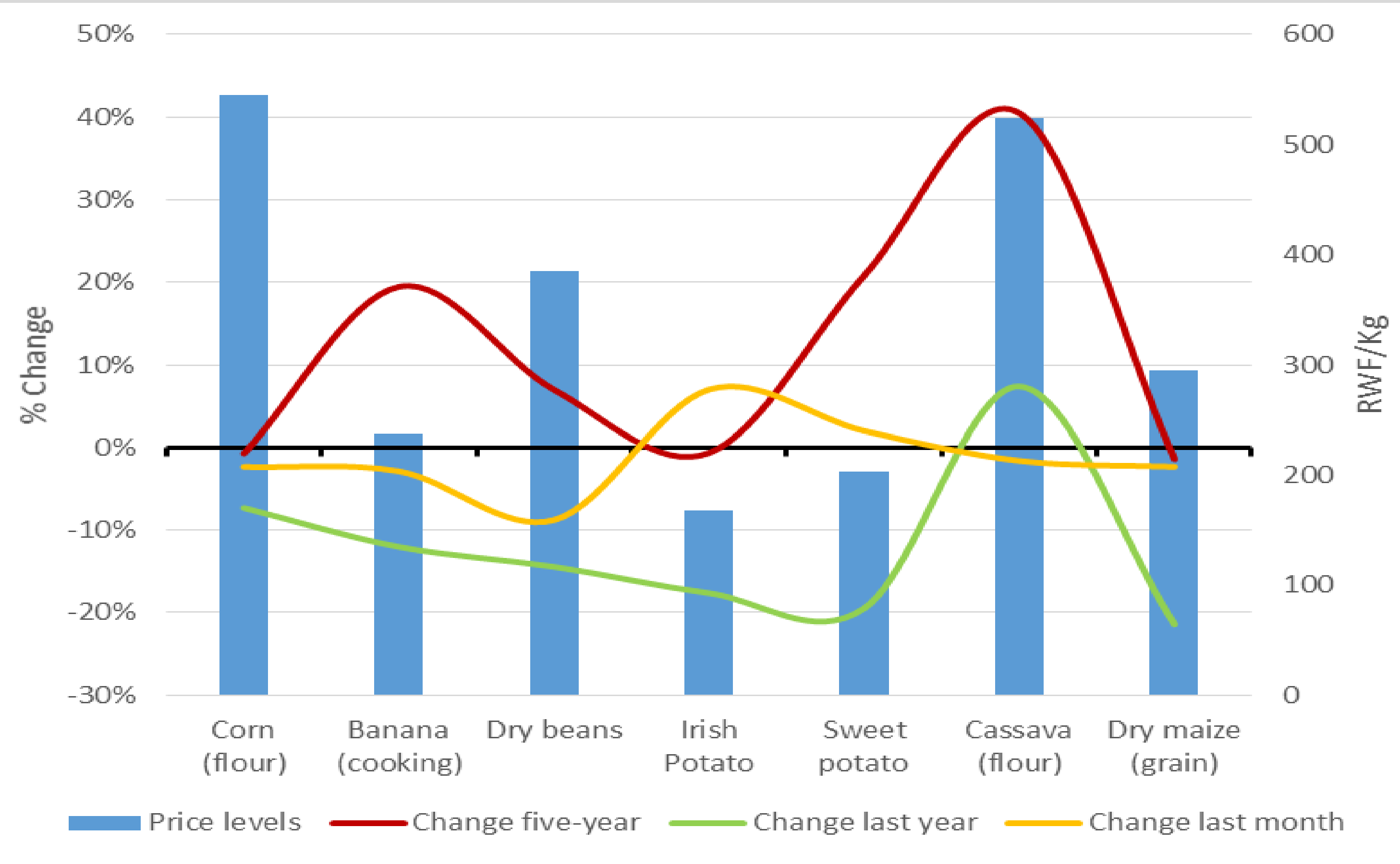
Season 2018 B rainfall is expected to range from normal to below normal: According to Rwanda Meteorological Agency, apart from Musanze, Burera, Gicumbi, Rulindo, Gakenke, southern parts of Rusizi and Nyamasheke and small parts of Gatsibo and Nyagatare which will likely get normal to above normal rainfall, other locations will likely experience normal to below normal rainfall.

January was generally wetter than normal except parts of the West, while the first 20 days of February were mostly drier than normal, with erratic rains (Figure 3). Rainfall was relatively favorable to sorghum crop which was planted in most areas after season A harvests (December-January), roots and tubers, as well as pasture conditions.

Low Maize farm-gate prices, despite relatively higher production cost: Data from Regional Agricultural Trade Intelligence Network (RATIN) indicate that wholesale maize prices in certain markets are lower than 210 RWF/kg, a price recently announced by MINICOM as a minimum floor price. For instance, wholesale price is 176 RWF/kg and 191 RWF/kg in Ruhengeri and Mulindi markets.

It is important to recall that maize has been attacked by fall armyworm during the last season across districts; which implies more cost in terms of labor and pesticides. This would therefore most likely translate into maize farmer disincentives; which also constrains their ability to acquire other food and non-food needs.

Figure 2: January 2018 prices (RWF/kg) and anomalies

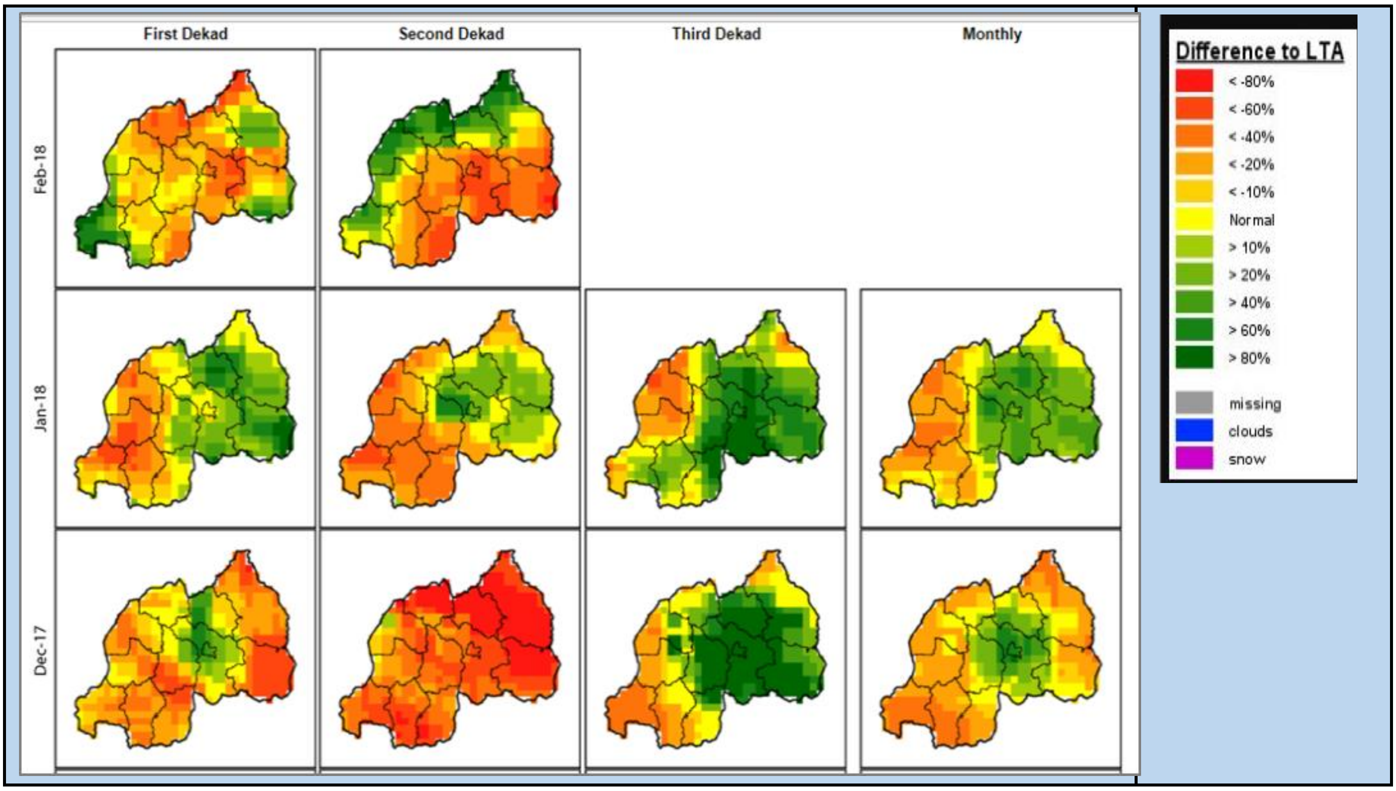


Source: Calculations based on NISR price data

Figure 3: Rainfall anomalies

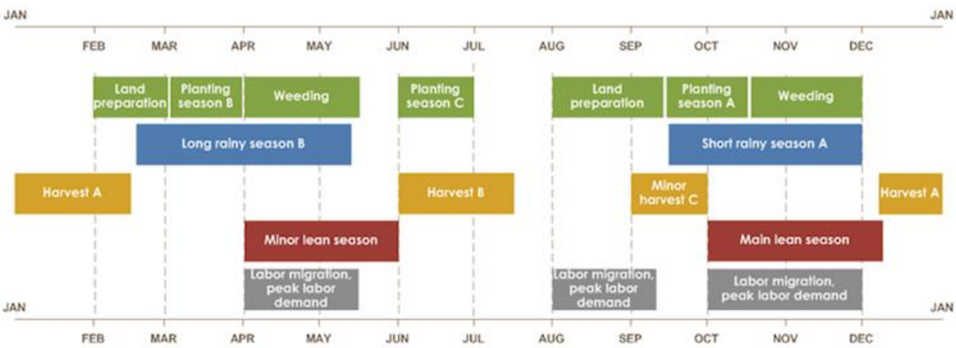
Anomalies depict the deviation of current rainfall from the average. In other words, current rainfall compared to the Long Term Average (LTA) back, might result in positive (above average) or negative (below average) percentages.

1st 10 days **2nd 10 days** **3rd 10 days** **Monthly**



Source: www.fao.org

Figure 4: Seasonal calendar



Source: www.fews.net