

Food Security Bulletin

Edition no. 25: Oct -Dec 2021

TIMOR-LESTE

Highlights

- Local rice prices spiked in the last quarter of 2021 after a steady decline in the second and third quarter.
- Imported rice prices increased slightly at the end of 2021, ending an eight-month downward streak - a trend that mirrored global price movements.
- Total rice imports amounted to 152,000 metric tonnes, a historical high and 32 percent more than the previous year.
- As a policy response to cushion the impact of COVID-19, Government provided a food basket 'Cesta Básica' to almost the whole population, with an equivalent value of US\$ 50 per person.

Methodology

This quarterly Food Security Bulletin (FSB) is based on data emanating from institutions under the Inter-Minister Council for Food Security, Food Sovereignty and Nutrition (KONSSANTIL). The FSB is a product of the Ministry of Agriculture and Fisheries (MAF) as the lead and secretariate of KONSSANTIL with technical support from WFP and FAO as part of the National Information and Early Warning System (NIEWS).

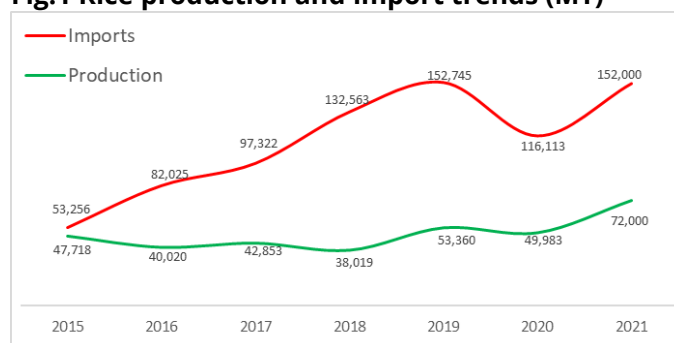
Maize and rice production estimates

The 2021 maize production by MAF was estimated at 85,627 metric tonnes, 10 percent more than the previous year and 2 percent above the five-year average. This is sufficient to meet domestic needs at 56 kg per person per year.

Similarly, a significant increase was observed for rice production in 2021-2022 marketing year.

Estimated at 72,000 metric tonnes which is 44 percent higher than the previous year and a further 61 percent higher than the five-year average. However, the national rice production is insufficient to meet domestic consumption needs as rice requirement is pegged at 106kg per person per year. As such imports filled the gap, with a total of 152,000 metric tonnes-a historical high, and 32 percent more than previous year and a further 30 percent more than the five-year average. Over the last six years, the gap between imports and production has increased from around 5,000 metric tonnes to nearly 80,000 metric tonnes (Fig.1)

Fig.1 Rice production and import trends (MT)

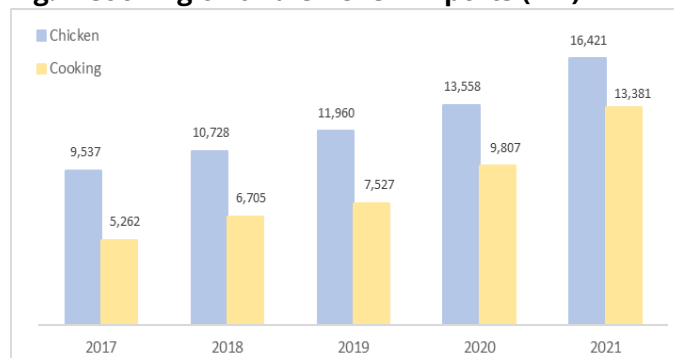


Source: MAF, Customs & FAOSTAT

Food Imports

Significant increases in the importation of cooking oil, chicken and other food commodities continued to be observed in 2021. A total of 13,381 metric tonnes of cooking oil were imported in 2021, 36 percent more than the previous year. In four years, cooking oil imports have more than doubled, a 154 percent increase.

Fig. 2 Cooking oil and Chicken imports (MT)



Source: Customs Directorate

Over the reference period (2021), 21 percent more of chicken were imported compared to the previous period (Fig 2.). In four years, chicken imports have increased by 72 percent.

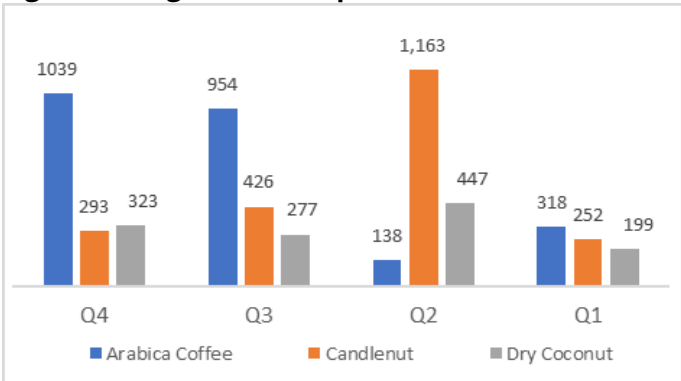
Other key food imports in metric tonnes during the reference period included wheat (15,958), fish (2,960), beans (2,543), eggs (2,428) and pork (862).

Agriculture Exports

The top three agriculture exports in the last quarter of 2021 were Arabica coffee, candlenut, and Dry coconut. Arabica coffee increased by 9 percent and Dry coconut by 17 percent, however, candlenut decreased by 31 percent during the reference period.

Other key agriculture exports included Konjac (19 mt) and Robusta coffee (51 mt).

Fig 3: Main agriculture exports in 2021



Source: Customs Directorate.

Social protection and economic relief programs

In 2021 as part of the policy response to cushion the impact of COVID-19, Government of Timor-Leste provided a food basket ‘Cesta Básica’ to almost the whole population, with an *equivalent* value of US\$ 50 per person.

This was delivered through voucher or in-kind and aimed to satisfy the needs of the person who received it for two months. Implementation was done through Ministry of Tourism Trade and Industry, Ministry of Agriculture and Fisheries, Secretary of State for Cooperatives, National Logistics Centre, and through the Special Administrative Region of Oé-Cusse Ambeno (RAEOA).

The Cesta Básica’ was an initiative under the economic recovery plan as the basket included locally produced commodities-with the aim to stimulating local production. The total cost for the program was estimated at USD 80 million.

In addition, the Ministry of Social Solidarity and Inclusion distributed 13 metric tonnes of rice to 514 beneficiaries during the last quarter of 2021 that included veterans and those affected by various disasters.

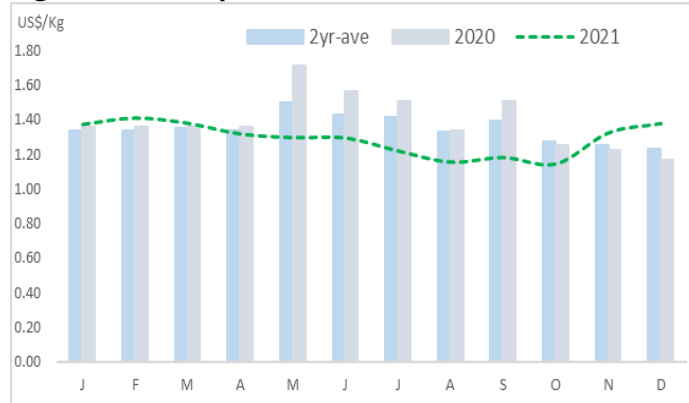
Food Access

Nominal Price of Rice

As a measure of food access, rice price analysis for both locally produced and imported has been used.

Local rice prices ended on a relatively high level in 2021 after a steady decline in the second and third quarter, likely reflecting tight supply conditions. The December 2021 local rice price was recorded at US\$ 1.38 per kilogram, the highest in eight months. It is 21 percent higher than the previous two months, 18 percent up compared to the previous year and 15 percent above the two-year average.

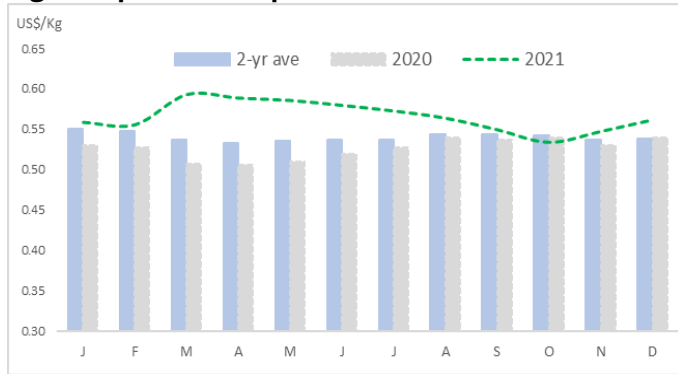
Fig 4. Local rice price trends



Source: WFP, MAF, GDS

Similarly, imported rice price exhibited some mild recovery in the last quarter of 2021 after an eight-month downward streak, a trend that mirrored global rice price movement. At US\$ 0.56 per kilogram as of December 2021, the imported rice price was 3 percent higher than the previous month and up 4 percent a year-earlier.

Fig 5. Imported rice price trends



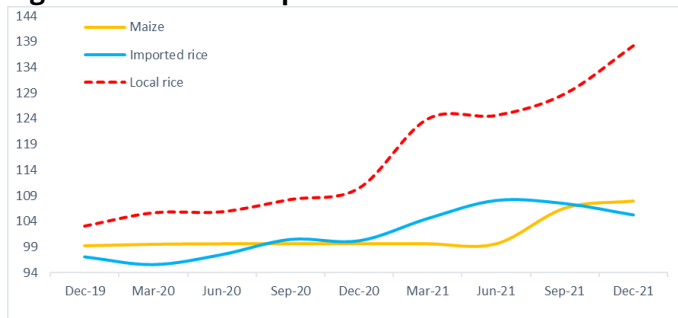
Source: WFP, MAF, GDS

The global rice prices measured by FAO All Rice Price Index (2014-2016=100) had been on a downward trajectory since February 2021 before experiencing a marginal increase at the start of the fourth quarter. However, the index fell by 1.6 percent in December 2021 before rebounding by 3.1 percent in January 2022 to reach 101.4 points. These global commodity price trends tend to have significant influence over domestic prices as Timor-Leste is an import-dependent economy.

Rice and maize consumer price indices

The local rice price index (2018=100) notched up further in the fourth quarter of 2021 reaching 138.2 points, 9.4 percentage points more than the previous quarter.

Fig 6: Maize and rice price indices



Source: General Directorate of Statistics

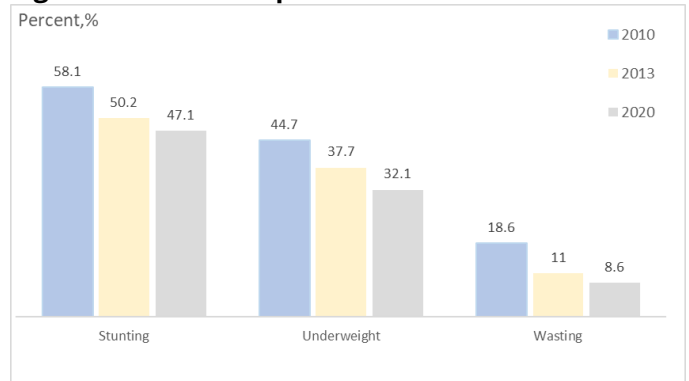
However, imported rice index decreased by 2.2 percentage points, over the same period, likely on the back of increased stocks, subsidies, and price controls. Maize index slightly increased by 1.4 percentage points during the reference period, the second consecutive increase in nearly three years.

Food Utilization

Nutrition status of the general under-five population

As a measure of food utilization, the nutrition status of the general under-five population from the 2020 Food and Nutrition Survey (FNS) has been used. The FNS found that 47.1 percent of the children were stunted, which is in ‘very high’ category according to WHO standards. Underweight was calculated at 32.4 percent and wasting at 8.6 percent (a medium level category). Overall, a declining trend but remains high.

Fig. 7. Trends in the prevalence of malnutrition



Source: 2020 Food and Nutrition Survey

Food Insecurity

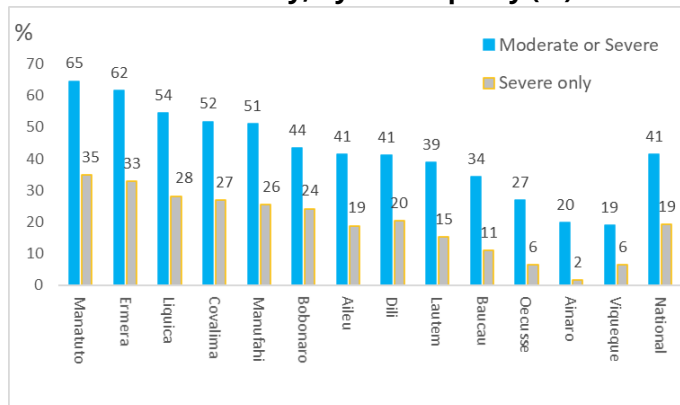
The Food Insecurity Experience Scale (FIES) is used as an estimate in the prevalence of food insecurity from the 2021 Social-Economic Impact Assessment (SEIA II). The FIES is based on a 30-day reference period preceding the survey and relies on people’s direct response to eight questions regarding their access to adequate food.

The results indicate that 41.4 percent of the population was affected by moderate or severe food insecurity. At municipal level, higher percentage in the moderate or severe food insecurity were observed in Manatuto (64.6 %), Ermera (61.5%) and Liquica (54.4%) while lower percentage was observed in Viqueque (18.9%) and Ainaro (19.9 %).

This refers to individuals living in households where at least one household member has likely been forced at times during the last month to reduce the quality of their diet, due of lack of money or other resources.

Out of the 41.4 percent that were moderate or severe food insecurity at national level, 19.3 percent of the population estimated to be affected by severe food insecurity.

Fig.8. Prevalence of moderate or severe and severe food insecurity, by municipality (%)



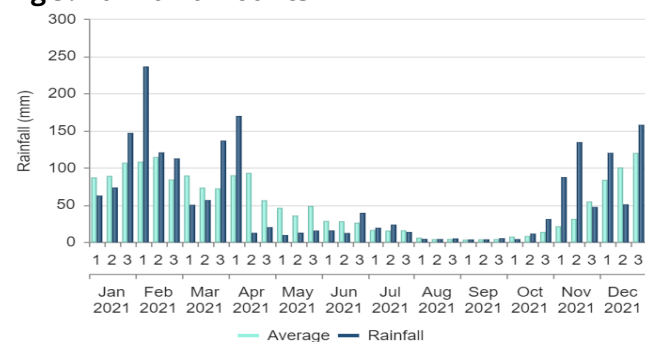
Source: UNDP (SEIA II)

Climate and Earth Observation

Rainfall Distribution

In the fourth quarter of 2021, rainfall distribution was between 10.2mm to 156.6mm. Overall, the last quarter of 2021 saw rainfall amounts being significantly above average. Such wetter than average conditions are key for crop production.

Fig 9. Rainfall amounts in mm



Source :

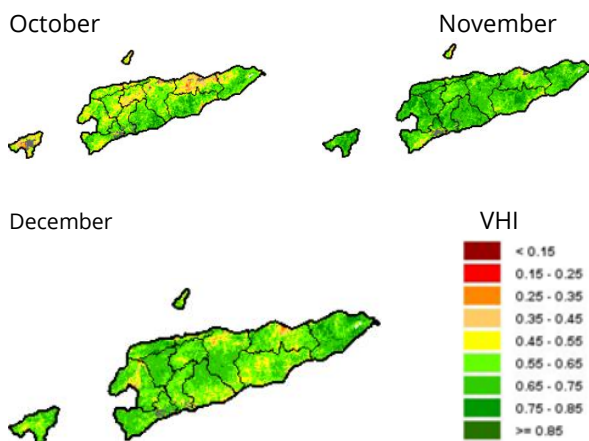
https://dataviz.wfp.org/seasonal_explorer/rainfall_vegetation/visualizations#

Vegetation Health Index

The Vegetation Health Index (VHI) provides the severity of drought based on the vegetation health and influence of temperature on plant conditions. An increase in VHI would indicate a relatively good vegetation conditions and cooler temperatures.

In quarter four, the index ranged mainly from 0.45 to 0.85 (mainly light green to old-green category) a situation favourable for agriculture production and reflective of wetter conditions depicted in the rainfall amounts.

Figure 10. Vegetation Health Index, 2021



Source: www.fao.org/giews/earthobservation.

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